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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)

INSIDE INFORMATION

ACQUISITION OF 38% EQUITY INTEREST IN HENAN UNIVERSE

This announcement is made by the Company pursuant to Rule 13.09(2) of the Listing Rules and the Inside Information Provisions (as defined under the Listing Rules) under Part XIVA of the SFO.

The board of directors of the Company (the “**Board**”) is pleased to announce that Haohai Healthcare, a wholly-owned subsidiary of the Company has acquired 38% equity interest in Henan Universe after obtaining approval from the government authorities in Henan Province of China in early September 2015, and 11 September 2015 has been taken as the completion date of the Equity Transfer.

As each of the applicable percentage ratios (as defined under Rule 14.07 of the Listing Rules) in respect of the transaction contemplated under the Contract (the “**Transaction**”) is less than 5%, the Transaction does not constitute a notifiable transaction of the Company under Chapter 14 of the Listing Rules nor a connected transaction under Chapter 14A of the Listing Rules.

This announcement is made by Shanghai Haohai Biological Technology Co., Ltd. (the “**Company**”) pursuant to Rule 13.09(2) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”) and the Inside Information Provisions (as defined under the Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) (the “**SFO**”).

The Acquisition

On 19 August 2015, Haohai Healthcare Holdings Co., Limited (“**Haohai Healthcare**”), a wholly-owned subsidiary of the Company and Sun Champ International Trading Limited (the “**Seller**”), an independent third party of the Company entered into an equity transfer contract (the “**Contract**”), pursuant to which Haohai Healthcare agreed to acquire from the Seller 38% 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 (“**Henan Universe**”) for a consideration of Renminbi 10,931,750 (the “**Consideration**”) (the “**Equity Transfer**”), and the amount of the Consideration is determined with reference to the valuation report prepared by an independent valuer. The Contract shall take effect on the date of receiving approval from the government authorities in Henan Province, People’s Republic of China, and the completion date of the Equity Transfer shall be 10 days after the receipt of such government approval.

On 1 September 2015, Henan Universe received approval from the Administration Committee of the Zhengzhou High and New Technology Industrial Development Zone* (鄭州高新技術產業開發區管委會) in Henan Province for the Equity Transfer, and on the same date a certificate of approval (批准證書) was issued by the Henan People’s Government. As at the date of this announcement, the Consideration has been fully settled in cash by Haohai Healthcare using proceeds from the initial public offering of the H shares of the Company in April 2015, and 11 September 2015 has been taken as the completion date of the Equity Transfer in accordance with the terms of the Contract.

Information of Henan Universe

Henan Universe is a sino-foreign equity joint venture established since 1991 and is engaged in the production and sales of intraocular lens and other ancillary products.

Information of the Group

The Company and its subsidiaries (the “**Group**”) are principally engaged in the research and development, manufacturing and sales of absorbable biomedical materials. The Group is strategically focusing on the fast-growing therapeutic areas in China, including orthopedics, anti-adhesion and hemostasis, ophthalmology and wound care and tissue filling.

Reasons for and Benefits of the Transaction

Currently, the main ophthalmology products of the Group are the ophthalmic viscoelastic devices (“**OVD Products**”). OVD Products are required for cataract surgeries and can be used in other eye surgeries. The main products of Henan Universe are intraocular lens (“**IOL Products**”). IOL Products can be used to treat cataract and other eye diseases, as well as manufacturing other medical devices for the ophthalmology specialty. Through the Transaction, the Group and Henan Universe will take the advantage of each other’s customer base and networks to create cross-selling business opportunities and to enhance operational efficiency by sharing resources on physician network and distribution network and cost apportionment.

The Company has a strong research and development team and has accumulated rich experience in the absorbable biomedical materials area. Henan Universe currently has a number of patents in the field of IOL Products, and is developing related preparation materials and production techniques for hydrophilic and hydrophobic IOL Products. With strengths in research and development, the Group can assist Henan Universe with improving its product performance and profitability through the Transaction. In addition, the Group can commercialize its existing technology to further enhance the level of profitability of the Group and Henan Universe.

At present, the IOL Products in the Chinese market are mainly imported products. Henan Universe is one of the few enterprises that owns the medical device registration certificate for domestic IOL Products. Through the Transaction, the Group and Henan Universe will take advantage of the resources and the strengths of both parties; develop the huge market potential for IOL Products and provide mutual benefits for long-term development by jointly promoting the localization of IOL Products and the substitution of imported products.

As such, the Board is of the view that the Transaction is in the interests of the Company and its shareholders as a whole.

Listing Rules Implications

In light of the above and as each of the applicable percentage ratios (as defined under Rule 14.07 of the Listing Rules) in respect of the Transaction is less than 5%, the Transaction does not constitute a notifiable transaction of the Company under Chapter 14 of the Listing Rules nor a connected transaction under Chapter 14A of the Listing Rules.

Shareholders and potential investors of the Company should exercise caution when dealing in the shares of the Company.

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

Shanghai, the PRC, 11 September 2015

As at the date of this announcement, the executive directors of the Company are Dr. Hou Yongtai, Mr. Wu Jianying, Mr. Ling Xihua, Mr. Huang Ping and Ms. Chen Yiyi; the non-executive directors of the Company are Ms. You Jie and Mr. Gan Renbao; and the independent non-executive directors of the Company are Mr. Chen Huabin, Mr. Shen Hongbo, Mr. Li Yuanxu, Mr. Zhu Qin and Mr. Wong Kwan Kit.

** For identification purpose only*