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

If you have sold or transferred all your shares in Hua Medicine, you should at once hand this circular, together with the enclosed form of proxy, to the purchaser or transferee or to the bank, stockbroker or other agent through whom the sale or transfer was effected for transmission to the purchaser or transferee.

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HUA MEDICINE
華領醫藥

(Incorporated in the Cayman Islands with limited liability)

(Stock code: 2552)

- (I) PROPOSED RE-ELECTION OF RETIRING DIRECTORS;**
(II) PROPOSED GRANTING OF GENERAL MANDATES
TO REPURCHASE SHARES AND TO ISSUE SHARES;
(III) PROPOSED RE-APPOINTMENT OF AUDITOR;
(IV) PROPOSED ADOPTION OF NEW MEMORANDUM AND
ARTICLES OF ASSOCIATION;
AND
(V) NOTICE OF ANNUAL GENERAL MEETING

The notice convening the Annual General Meeting of the Company to be held at the Company's headquarter in Shanghai at Building 2, Lane 36, Xuelin Road, Pudong New Area, Shanghai, PRC on Thursday, June 23, 2022 at 10 a.m. is set out in this circular.

Whether or not you are able to attend the Annual General Meeting, please complete and sign the enclosed form of proxy for use at the Annual General Meeting in accordance with the instructions printed thereon and return it to the Company's share registrar in Hong Kong, Tricor Investor Services Limited, at Level 54, Hopewell Centre, 183 Queen's Road East, Hong Kong as soon as possible but in any event not less than 48 hours before the time appointed for the Annual General Meeting (i.e. not later than 10 a.m. on Tuesday, June 21, 2022 (Hong Kong time)) or the adjourned meeting (as the case may be). Completion and return of the form of proxy will not preclude shareholders from attending and voting in person at the Annual General Meeting if they so wish.

This circular together with the form of proxy are also published on the websites of Hong Kong Exchanges and Clearing Limited (www.hkexnews.hk) and the Company (www.huamedicine.com).

Due to the potential unpredictable development of the COVID-19 pandemic, the Company may be required to change the meeting arrangements for the AGM at short notice. Shareholders are advised to check the websites of Hong Kong Exchanges and Clearing Limited (www.hkexnews.hk) and the Company (www.huamedicine.com) for further announcement(s) and update(s) on such arrangements and/or further precautionary measures to be taken.

April 19, 2022

DEFINITIONS

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

“Annual General Meeting” or “AGM”	the annual general meeting of the Company to be held at Hua Medicine’s headquarter in Shanghai at Building 2, Lane 36, Xuelin Road, Pudong New Area, Shanghai, PRC on Thursday, June 23, 2022 at 10 a.m., to consider and, if appropriate, to approve the resolutions contained in the notice of the meeting which is set out on pages 29 to 33 of this circular, or any adjournment thereof
“Articles of Association”	the amended and restated memorandum and articles of association of the Company currently in force
“Board”	the board of Directors
“Company”	Hua Medicine, a company incorporated in the Cayman Islands with limited liability, the Shares of which are listed on the Main Board of the Stock Exchange
“Director(s)”	the director(s) of the Company
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Issuance Mandate”	a general mandate proposed to be granted to the Directors to allot, issue or deal with additional Shares of not exceeding 20% of the total number of issued shares of the Company as at the date of passing of the proposed ordinary resolution contained in item 5 of the notice of the Annual General Meeting
“Latest Practicable Date”	April 7, 2022, being the latest practicable date prior to the printing of this circular for ascertaining certain information in this circular
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange as amended from time to time

DEFINITIONS

“Memorandum of Association”	the amended and restated memorandum of association of the Company currently in force
“PRC”	the People’s Republic of China
“RMB”	Renminbi, the lawful currency of the PRC
“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
“Share(s)”	ordinary share(s) of US\$0.001 each in the issued capital of the Company or if there has been a subsequent sub-division, consolidation, reclassification or reconstruction of the share capital of the Company, shares forming part of the ordinary equity share capital of the Company
“Share Buy-back Mandate”	a general mandate proposed to be granted to the Directors to repurchase Shares on the Stock Exchange of not exceeding 10% of the total number of issued shares of the Company as at the date of passing of the proposed ordinary resolution contained in item 4 of the notice of the Annual General Meeting
“Shareholder(s)”	holder(s) of Share(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Takeovers Code”	The Codes on Takeovers and Mergers and Share Buy-backs issued by the Securities and Futures Commission as amended from time to time
“US\$”	United States dollars, the lawful currency of the United States
“%”	per cent

LETTER FROM THE BOARD



HUA MEDICINE 華領醫藥

(Incorporated in the Cayman Islands with limited liability)
(Stock code: 2552)

Executive Directors:

Dr. Li CHEN (*Chief Executive Officer and
Chief Scientific Officer*)
Mr. George Chien Cheng LIN
(*Executive Vice President and
Chief Financial Officer*)

Non-executive Directors:

Mr. Robert Taylor NELSEN (*Chairman*)
Ms. Wei ZHAO

Independent Non-executive Directors:

Mr. Walter Teh-Ming KWAUK
Mr. William Robert KELLER
Mr. Junling LIU
Mr. Yiu Wa Alec TSUI

Registered Office:

The offices of Maples Corporate
Services Limited
PO Box 309, Uglund House
Grand Cayman, KY1-1104
Cayman Islands

Head Office:

Hua Medicine, Building 2
Lane 36, Xuelin Road
Pudong New Area
Shanghai 201203, PRC

*Principal Place of Business
in Hong Kong:*

Suite 2202, Methodist House
36 Hennessy Road
Wanchai, Hong Kong

April 19, 2022

To the Shareholders

Dear Sir/Madam,

- (I) PROPOSED RE-ELECTION OF RETIRING DIRECTORS;
(II) PROPOSED GRANTING OF GENERAL MANDATES
TO REPURCHASE SHARES AND TO ISSUE SHARES;
(III) PROPOSED RE-APPOINTMENT OF AUDITOR;
(IV) PROPOSED ADOPTION OF NEW MEMORANDUM AND
ARTICLES OF ASSOCIATION;
AND
(V) NOTICE OF ANNUAL GENERAL MEETING**

1. INTRODUCTION

The purpose of this circular is to provide the Shareholders with information in respect of certain resolutions to be proposed at the Annual General Meeting to be held on June 23, 2022.

LETTER FROM THE BOARD

2. PROPOSED RE-ELECTION OF DIRECTORS

In accordance with Article 16.18 of the Articles of Association, Mr. George Chien Cheng LIN, Mr. Robert Taylor NELSEN and Mr. William Robert KELLER will retire at the AGM. In addition, Ms. Wei ZHAO who has been appointed by the Company on March 16, 2022 shall hold office until the Annual General Meeting pursuant to Article 16.3 of the Company's Articles of Association. All of the above Directors, being eligible, will offer themselves for re-election at the Annual General Meeting.

Recommendation of the Nomination Committee

The Nomination Committee has assessed the independence of Mr. William Robert KELLER, the independent non-executive Director, based on reviewing his annual written confirmation of independence to the Company pursuant to Rule 3.13 of the Listing Rules and confirmed that all of them remain independent. In addition, the Nomination Committee had considered the criteria set out in board diversity policy (including but not limited to gender, age, cultural and educational background, professional qualifications, skills, knowledge and industry and regional experience) and had evaluated the performance of each of the retiring Directors for the year ended December 31, 2021 and found their performance satisfactory and valuable contribution to the diversity of the Board. Therefore, the Nomination Committee nominated the retiring Directors to the Board for it to propose to the Shareholders for re-election at the AGM.

The Board considers that Mr. William Robert KELLER is independent according to the independence guidelines set out in the Listing Rules and after due consideration of the recommendation of the Nomination Committee and the retiring Directors' contribution to the Company, the Board is satisfied that each of the retiring Director will continue to bring valuable industry experience, knowledge and professionalism to the Board for its efficient and effective functioning and diversity. Accordingly, the Board has proposed that all the retiring Directors, namely Mr. George Chien Cheng LIN, Mr. Robert Taylor NELSEN, Mr. William Robert KELLER and Ms. Wei ZHAO stand for re-election as Directors at the AGM. As a good corporate governance practice, each of the retiring Directors abstained from voting at the relevant Board meeting on the respective propositions of their recommendations for re-election by the Shareholders at the AGM.

Details of the Directors proposed for re-election at the AGM are set out in Appendix I to this circular.

3. PROPOSED GRANTING OF THE SHARE BUY-BACK MANDATE

Pursuant to the resolutions passed at the last general meeting of the Shareholders, a general mandate was granted to the Directors to repurchase Shares. Such mandate will lapse at the conclusion of the Annual General Meeting. In order to give the Company the flexibility to repurchase Shares if and when appropriate, an ordinary resolution will be proposed at the Annual General Meeting to approve the granting of the Share Buy-back Mandate to the Directors to repurchase Shares on the Stock Exchange of not exceeding 10% of the total number of issued Shares of the Company as at the date of passing of the proposed ordinary resolution contained in item 4 of the notice of the Annual General Meeting. The Directors wish to state that they have no immediate plan to repurchase any Shares pursuant to the Share Buy-back Mandate.

LETTER FROM THE BOARD

An explanatory statement required by the Listing Rules to provide the Shareholders with requisite information reasonably necessary for them to make an informed decision on whether to vote for or against the granting of the Share Buy-back Mandate is set out in Appendix II to this circular.

4. PROPOSED GRANTING OF THE ISSUANCE MANDATE

Pursuant to the resolutions passed at the last general meeting of the Shareholders, a general mandate was granted to the Directors to issue Shares. Such mandate will lapse at the conclusion of the Annual General Meeting. In order to give the Company the flexibility to issue Shares if and when appropriate, an ordinary resolution will be proposed at the Annual General Meeting to approve the granting of the Issuance Mandate to the Directors to allot, issue or deal with additional Shares of not exceeding 20% of the total number of issued Shares of the Company as at the date of passing of the proposed ordinary resolution contained in item 5 of the notice of the Annual General Meeting. An ordinary resolution to extend the Issuance Mandate by adding the number of Shares repurchased by the Company pursuant to the Share Buy-back Mandate will also be proposed at the Annual General Meeting.

The Directors wish to state that they have no immediate plan to issue any new Shares pursuant to the Issuance Mandate.

5. PROPOSED RE-APPOINTMENT OF AUDITOR

Following the recommendation of the audit committee of the Board, the Board proposed to re-appoint Deloitte Touche Tohmatsu as the auditor of the Company with a term expiring upon the next annual general meeting of the Company; and the Board proposed it be authorized to fix the remuneration of the auditor. An ordinary resolution in respect of the re-appointment of the auditor of the Company will be proposed at the AGM for consideration and approval by the Shareholders.

6. PROPOSED ADOPTION OF NEW MEMORANDUM AND ARTICLES OF ASSOCIATION

The Board has proposed to amend certain provisions of its Articles of Association by way of adoption of a new Memorandum and Articles of Association for the purpose of (i) complying with the amendments made to Appendix 3 to the Listing Rules which became effective on January 1, 2022 and reflecting updates in the laws of the Cayman Islands; and (ii) permitting the Company to hold hybrid general meetings and electronic general meetings.

The adoption of the new Memorandum and Articles of Association containing the proposed amendments is subject to the approval of the Shareholders by way of a special resolution at the AGM to become effective.

A summary of the proposed amendments to the Articles of Association is set out in Appendix III to this circular.

LETTER FROM THE BOARD

7. ANNUAL GENERAL MEETING AND PROXY ARRANGEMENT

The Annual General Meeting will be held at the Company's headquarter in Shanghai at Building 2, Lane 36, Xuelin Road, Pudong New Area, Shanghai, PRC on Thursday, June 23, 2022 at 10 a.m. The notice of the Annual General Meeting is set out on pages 29 to 33 of this circular.

A form of proxy for use at the Annual General Meeting is enclosed with this circular and such form of proxy is also published on the websites of Hong Kong Exchanges and Clearing Limited (www.hkexnews.hk) and the Company (www.huamedicine.com). To be valid, the form of proxy must be completed and signed in accordance with the instructions printed thereon and deposited, together with the power of attorney or other authority (if any) under which it is signed or a certified copy of that power of attorney or authority at the Company's share registrar in Hong Kong, Tricor Investor Services Limited, at Level 54, Hopewell Centre, 183 Queen's Road East, Hong Kong as soon as possible but in any event not less than 48 hours before the time appointed for the Annual General Meeting (i.e. not later than 10 a.m. on Tuesday, June 21, 2022 (Hong Kong time)) or the adjourned meeting (as the case may be). Completion and delivery of the form of proxy will not preclude you from attending and voting at the Annual General Meeting if you so wish.

8. VOTING BY WAY OF POLL

Pursuant to Rule 13.39(4) of the Listing Rules and the Articles of Association, any vote of Shareholders at a general meeting must be taken by poll except where the chairman decides to allow a resolution relating to a procedural or administrative matter to be voted on by a show of hands. Therefore, the resolutions to be proposed at the Annual General Meeting will be voted by way of poll. An announcement on the poll results will be published by the Company after the Annual General Meeting in the manner prescribed under Rule 13.39(5) of the Listing Rules.

9. RECOMMENDATION

The Directors consider that the proposed re-election of retiring Directors, granting of the Share Buy-back Mandate and the Issuance Mandate, re-appointment of the Company's auditor, and adoption of a new Memorandum and Articles of Association are in the best interests of the Company and the Shareholders. Accordingly, the Directors recommend the Shareholders to vote in favour of all the resolutions to be proposed at the Annual General Meeting.

10. RESPONSIBILITY STATEMENT

This circular, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the Listing Rules for the purpose of giving information with regard to the Company. The Directors, having made all reasonable

LETTER FROM THE BOARD

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.

By Order of the Board

Dr. Li Chen

*Chief Executive Officer and
Executive Director*

Details of the Directors who will retire from office at the AGM and being eligible, will offer themselves for re-election at the AGM, are set out below:

**(1) MR. GEORGE CHIEN CHENG LIN, AGED 51, EXECUTIVE VICE PRESIDENT
AND CHIEF FINANCIAL OFFICER**

Position and Experience

Mr. George Chien Cheng LIN (林潔誠), has been the Executive Vice President and Chief Financial Officer of the Company since December 22, 2017.

Mr. Lin has been serving as a member of the Biotech Advisory Panel of the Stock Exchange since April 24, 2018. Mr. Lin has over 18 years of experience in investment banking working with numerous private and public companies globally. Prior to joining the Group, he worked for Bank of America Merrill Lynch in Hong Kong as an investment banker, and held a number of senior positions including Asia Pacific head of consumer, retail and healthcare investment banking, and head of Hong Kong and Taiwan investment banking coverage from June 2013 to December 2017. From July 2000 to May 2013, he worked for Credit Suisse as an investment banker in the Los Angeles, San Francisco and Hong Kong offices. At Credit Suisse, he focused on financings and merger and acquisitions for a variety of global clients, including, but not limited to, U.S. biotechnology companies and Chinese healthcare companies. His last position at Credit Suisse was Asia Pacific (ex-Japan) head of consumer, retail and healthcare investment banking based in Hong Kong. Prior to investment banking, Mr. Lin practiced corporate law in Los Angeles including working for O'Melveny & Myers for over 4 years from September 1995 to July 1999. Mr. Lin has served as an independent non-executive director at Shanghai Bio-heart Biological Technology Co., Ltd., a company first listed on the main board of the Stock Exchange (Stock code: 2185) on December 23, 2021, since November 2020.

Mr. Lin obtained his bachelor's degree in biological sciences from the University of California at Davis in June 1992 and a juris doctor degree from The University of Chicago Law School in June 1995. Mr. Lin was admitted to the California State Bar in December 1995.

Save as disclosed above, Mr. Lin did not hold any other directorships in companies listed in Hong Kong or overseas in the last three years.

Length of service

Mr. Lin has entered into a letter of appointment with the Company for a term of three years, which may be terminated by not less than 30 days' notice in writing served by either himself or the Company. Mr. Lin is subject to retirement by rotation and re-election at annual general meetings of the Company pursuant to the Articles of Association.

Relationships

Mr. Lin does not have any relationship with any Directors, senior management, substantial shareholders (as defined in the Listing Rules), or controlling shareholders (as defined in the Listing Rules) of the Company.

Interests in Shares

As at the Latest Practicable Date, Mr. Lin had the following interests in Shares pursuant to Part XV of the SFO:

Nature of interest	Number of Shares held	Approximate percentage of shareholding in the Company
Founder and beneficiary of trust ^(Note 1)	3,633,178	0.35%
Beneficial Owner ^(Note 2)	<u>30,758,522</u>	<u>2.91%</u>
	<u><u>34,391,700</u></u>	<u><u>3.26%</u></u>

Notes:

- (1) The George and Ann Lin 2005 Trust is a family trust set up by Mr. Lin; therefore, Mr. Lin is deemed to be interested in the same number of Shares held by the George and Ann Lin 2005 Trust.
- (2) Being options and awards granted pursuant to the Pre-IPO Share Incentive Scheme and Post-IPO Share incentive Scheme.

Director's emoluments

Mr. Lin was appointed as Director on May 11, 2018. Mr. Lin has entered into a service contract with the Company for a term of three years commencing from May 31, 2021 which may be terminated by not less than one month's notice in writing served by either party on the other. Mr. Lin is entitled to receive emoluments of US\$500,000 per annum as determined by the Board with reference to his job responsibility, prevailing market rate together with discretionary bonus based on his performance.

As at the Latest Practicable Date, Mr. Lin had interests in 3,633,178 Shares of the Company and 29,530,679 options and 927,843 vested and unvested restricted share units granted under the Pre-IPO Share Option Scheme of the Company and 300,000 options granted under the Share Incentive Scheme of the Company.

Information that needs to be disclosed and matters that need to be brought to the attention of the Shareholders

There is no information which is disclosable nor is Mr. Lin involved in any of the matters required to be disclosed pursuant to any of the requirements under Rules 13.51(2)(h) to (v) of the Listing Rules and there are no other matters concerning Mr. Lin that need to be brought to the attention of the Shareholders.

(2) MR. ROBERT TAYLOR NELSEN, AGED 58, NON-EXECUTIVE DIRECTOR**Position and Experience**

Mr. **Robert Taylor NELSEN** is the Chairman of our Board, the Chairman of the Nomination Committee and a member of the Strategy Committee, and has also been a director of our subsidiary, Hua HK, since August 2010.

Since 1994, Mr. Nelsen has served as a co-founder and managing director of ARCH Venture Partners, a venture capital firm focused on early-stage technology companies, and has played a significant role in the early sourcing, financing and development of more than 30 biopharmaceutical companies. Mr. Nelsen has been serving as a non-executive director of Bii Biosciences Limited 騰盛博藥生物科技股份有限公司 (Stock Code: 2137) since June 2018, a company listed on the main board of the Stock Exchange. He has also been serving as a director of Renovation Healthcare Acquisition Corp. Vir (Stock Code: REVH) since March 2021, Sana Biotechnology (stock code: SANA) since September 2018, independent director of Lyell Immunopharm (Stock Code: LYEL) since August 2018, and director of Vir Biotechnology Inc. (stock code: VIR) since January 2017, Denali Therapeutics, Inc. (stock code: DNLI) since May 2015, and previously served as a director of Sienna Biopharmaceuticals, Inc. (stock code: SNNA) from August 2015 to October 2018, Syros Pharmaceuticals, Inc. (stock code: SYRS) from August 2012 to June 2018, Juno Therapeutics, Inc. (stock code: JUNO) from August 2013 to March 2018, KYTHERA Biopharmaceuticals, Inc. (stock code: KYTH) from January 2006 to December 2014, Agios Pharmaceuticals Inc. (stock code: AGIO) from December 2007 to June 2017, Sage Therapeutics, Inc. (stock code: SAGE) from September 2013 to March 2016, Bellerophon Therapeutics, Inc. (stock code: BLPH) from February 2014 to November 2015, Adolor Corporation (stock code: ADLR) from November 1994 to May 2004, Illumina, Inc. (stock code: ILMN) from June 1998 to August 2006, Fate Therapeutics, Inc. (stock code: FATE) from September 2007 to June 2014, and NeurogesX, Inc. (stock code: NGSX) from July 2000 to July 2013, and Unity Biotechnology, Inc. (stock code: UBX) from November 2011 to December 2020, Karuna Therapeutics Inc. (stock code: KRTX) from August 2018 to June 2021 and Beam Therapeutics Inc. (stock code: BEAM) from June 2017 to June 2021, all of which are companies listed on NASDAQ stock market in the United States. Subsequent to June 29, 2012, NGSX shares were quoted on the Over the Counter Bulletin Board (OTC) in the United States. Mr. Nelsen also previously served as a trustee of Fred Hutchinson Cancer Research Center.

Mr. Nelsen received a Bachelor of Science degree with majors in economics and biology from the University of Puget Sound in the United States in 1985 and an M.B.A. from the University of Chicago in the United States in 1987.

Save as disclosed above, Mr. Nelsen did not hold any other directorships in companies listed in Hong Kong or overseas in the last three years.

Length of service

Mr. Nelsen has entered into a letter of appointment with the Company for a term of three years, which may be terminated by not less than one month's notice in writing served by either himself or the Company. Mr. Nelsen is subject to retirement by rotation and re-election at annual general meetings of the Company pursuant to the Articles of Association.

Relationships

Mr. Nelsen controls one-third of ARCH Venture Partners VII, LLC, which is a general partner of ARCH Venture Partners VII, L.P. ARCH Venture Partners VII, L.P. is the general partner of ARCH Venture Fund VII, L.P. which is a substantial shareholder of the Company.

Save as disclosed above, Mr. Nelsen does not have any other relationship with any Directors, senior management, substantial shareholders (as defined in the Listing Rules), or controlling shareholders (as defined in the Listing Rules) of the Company.

Interests in Shares

As at the Latest Practicable Date, Mr. Nelsen had the following interests in Shares pursuant to Part XV of the SFO:

Nature of interest	Number of Shares held	Approximate percentage of shareholding in the Company
Interest of Controlled Corporation ^(Note 1)	125,088,960	11.86%
Beneficial owner	150,000	0.01%
	<u>125,238,960</u>	<u>11.87%</u>

Note:

- (1) ARCH Venture Partners VII, LLC is controlled as to one-third by Mr. Nelsen and is the general partner of ARCH Venture Partners VII, L.P. Mr. Nelsen is therefore deemed to be interested in the same number of Shares held by ARCH Venture Fund VII, L.P..

Director's emoluments

Mr. Nelsen was appointed as a Director on April 23, 2010 and re-designated as a non-executive Director on May 11, 2018. Mr. NELSEN has entered into a service contract with the Company for a term of three years commencing from June 30, 2021, which may be terminated by not less than one month's notice in writing served by either party on the other. Mr. NELSEN is not entitled to receive emoluments.

Information that needs to be disclosed and matters that need to be brought to the attention of the Shareholders

There is no information which is discloseable nor is Mr. Nelsen involved in any of the matters required to be disclosed pursuant to any of the requirements under Rules 13.51(2)(h) to (v) of the Listing Rules and there are no other matters concerning Mr. Nelsen that need to be brought to the attention of the Shareholders.

(3) MS. WEI ZHAO, AGED 42, NON- EXECUTIVE DIRECTOR**Position and Experience**

Ms. **Wei Zhao** is the non-executive director of the Company since March 2022.

Ms. Zhao is a non-practising member of the Chinese Institute of Certified Public Accountants. She is currently the executive director, Corporate Development and Investments of WuXi AppTec (Shanghai) Co., Ltd., and she is mainly responsible for sourcing, evaluating, executing and integrating its strategic acquisitions, investments and joint ventures. Since March 2019, she has also been serving as the non-executive Director of Clarity Medical Group Holding Limited, a company listed on the Stock Exchange (stock code: 1406). Ms. Zhao worked at Ernst & Young Hua Ming Shanghai Branch (“**EY Shanghai**”) from September 2001 to April 2008. From February 2006 to April 2006, she briefly left EY Shanghai and worked for Deloitte & Touche Corporation Finance Ltd. Later, from May 2008 to November 2014, she worked at Ernst & Young (China) Advisory.

Ms. Zhao received her bachelor’s degree of science with a major in business and finance in English from Shanghai Jiao Tong University in July 2001 and a master’s degree of business administration from The University of Hong Kong in November 2013.

Save as disclosed above, Ms. Zhao did not hold any other directorships in companies listed in Hong Kong or overseas in the last three years.

Length of service

Ms. Zhao has entered into a letter of appointment with the Company for a term of three years, which may be terminated by not less than 30 days’ notice in writing served by either herself or the Company. Ms. Zhao is subject to retirement by rotation and re-election at annual general meetings of the Company pursuant to the Articles of Association.

Relationships

Ms. Zhao does not have any relationship with any Directors, senior management, substantial shareholders (as defined in the Listing Rules), or controlling shareholders (as defined in the Listing Rules) of the Company.

Interests in Shares

As at the Latest Practicable Date, Ms. Zhao did not hold any interest in the Shares or underlying Shares pursuant to Part XV of the SFO.

Director's emoluments

Ms. Zhao was appointed as Director on March 16, 2022. Ms. Zhao has entered into a service contract with the Company for a term of three years commencing from March 16, 2022 which may be terminated by not less than one month's notice in writing served by either party on the other. Ms. Zhao is entitled to receive emoluments of RMB450,000 per annum as determined by the Board with reference to her job responsibility, prevailing market rate together with discretionary bonus based on her performance.

Information that needs to be disclosed and matters that need to be brought to the attention of the Shareholders

There is no information which is disclosable nor is Ms. Zhao involved in any of the matters required to be disclosed pursuant to any of the requirements under Rules 13.51(2)(h) to (v) of the Listing Rules and there are no other matters concerning Ms. Zhao that need to be brought to the attention of the Shareholders.

(4) MR. WILLIAM ROBERT KELLER, AGED 73, INDEPENDENT NON- EXECUTIVE DIRECTOR**Position and Experience**

Mr. **William Robert KELLER** is the Chairman of the Remuneration Committee as well as a member of the Audit Committee and Nomination Committee. Mr. Keller is primarily responsible for supervising and providing independent judgment to our Board.

Since May 2017, Mr. Keller has served as an independent non-executive director on the board of WuXi Biologics, a company primarily engaged in biologics services provision and listed on the main board of the Stock Exchange (stock code: 2269). Since August 2020, he serves as non-executive director on the Board of Cathay Biotech Inc, an industrial biotechnology company and listed on the Shanghai Stock Exchange's STAR market (stock code: SS688065.SS). Mr. Keller had been appointed as director of Artisan Acquisition Corp. (Stock Code: ARTA) on March 8, 2021, a company which is listed on NASDAQ stock market in the United States.

From December 2010 to October 2020, he holds directorship at Coland Pharmaceutical Co., Ltd., a company listed on the Taiwan Stock Exchange (stock code: 4144) and withdrawal from listing due to privatization effective on 30 October 2020. From September 2014 to December 2015, Mr. Keller served as an independent director of WuXi PharmaTech, a biopharmaceutical company formerly listed on the New York Stock Exchange during the same period. Between 1974 to 2003, Mr. Keller served in various positions at the Roche Group, including as the general manager of Roche China Ltd. and Shanghai Roche Pharmaceutical Ltd. He has been a vice chairman of the Shanghai Association of Enterprises with Foreign Investment, a senior consultant to the Shanghai Foreign Investment Development Board, and the deputy general manager of Zhangjiang Biotech and Pharmaceutical Base Development Co.,

Ltd. Mr. Keller previously held directorships in biopharmaceutical companies including Alexion Pharmaceuticals, Inc., a company listed on NASDAQ (stock code: ALXN) from December 2009 to May 2015, China Nuokang Pharmaceutical Inc., a company listed on NASDAQ (stock code: NKBP) from August 2008 to December 2011. He has also served as a chairman of HBM Biomed China Partners and Coland Pharmaceutical Co. Ltd.

Mr. Keller obtained a Bachelor of Science degrees from the School of Economics and Business Administration in Switzerland in July 1972.

Save as disclosed above, Mr. Keller did not hold any other directorships in companies listed in Hong Kong or overseas in the last three years.

Length of service

Mr. Keller has entered into a letter of appointment with the Company for a term of three years, which may be terminated by not less than 30 days' notice in writing served by either himself or the Company. Mr. Keller is subject to retirement by rotation and re-election at annual general meetings of the Company pursuant to the Articles of Association.

Relationships

Mr. Keller does not have any relationship with any Directors, senior management, substantial shareholders (as defined in the Listing Rules), or controlling shareholders (as defined in the Listing Rules) of the Company.

Interests in Shares

As at the Latest Practicable Date, Mr. Keller did not hold any interest in the Shares or underlying Shares pursuant to Part XV of the SFO.

Director's emoluments

Mr. Keller was appointed as Director on August 26, 2018. Mr. Keller has entered into a service contract with the Company for a term of three years commencing from May 31, 2021 which may be terminated by not less than one month's notice in writing served by either party on the other. Mr. Keller is entitled to receive emoluments of RMB540,000 per annum as determined by the Board with reference to his job responsibility, prevailing market rate together with discretionary bonus based on his performance.

Information that needs to be disclosed and matters that need to be brought to the attention of the Shareholders

There is no information which is disclosable nor is Mr. Keller involved in any of the matters required to be disclosed pursuant to any of the requirements under Rules 13.51(2)(h) to (v) of the Listing Rules and there are no other matters concerning Mr. Keller that need to be brought to the attention of the Shareholders.

The following is an explanatory statement required by the Listing Rules to provide the Shareholders with requisite information reasonably necessary for them to make an informed decision on whether to vote for or against the ordinary resolution to be proposed at the Annual General Meeting in relation to the granting of the Share Buy-back Mandate.

1. SHARE CAPITAL

As at the Latest Practicable Date, the issued share capital of the Company comprised 1,055,270,261 Shares.

Subject to the passing of the ordinary resolution set out in item 4 of the notice of the Annual General Meeting in respect of the granting of the Share Buy-back Mandate and on the basis that the issued share capital of the Company remains unchanged on the date of the Annual General Meeting, i.e. being 1,055,270,261 Shares, the Directors would be authorized under the Share Buy-back Mandate to repurchase, during the period in which the Share Buy-back Mandate remains in force, a total of 105,527,026 Shares, representing 10% of the total number of Shares in issue as at the date of the Annual General Meeting during the period from the passing of this resolution until (i) the conclusion of the next annual general meeting of the Company following the passing of the resolution at which time it shall lapse unless, by ordinary resolution passed at that meeting, the authority is renewed, either unconditionally or subject to conditions; or (ii) revoked or varied by ordinary resolution of the Shareholders in general meeting, whichever occurs first.

2. REASONS FOR SHARE BUY-BACK

The Directors believe that the granting of the Share Buy-back Mandate is in the best interests of the Company and the Shareholders.

Shares buy-back may, depending on the market conditions and funding arrangements at the time, lead to an enhancement of the net asset value per Share and/or earnings per Share and will only be made when the Directors believe that such a buy-back will benefit the Company and the Shareholders.

3. FUNDING OF SHARE BUY-BACK

The Company may only apply funds legally available for share buy-back in accordance with its Memorandum and Articles of Association, the laws of the Cayman Islands and/or any other applicable laws, as the case may be.

4. IMPACT OF SHARE BUY-BACK

There might be a material adverse impact on the working capital or gearing position of the Company (as compared with the position disclosed in the audited accounts contained in the annual report of the Company for the year ended December 31, 2021) in the event that the Share Buy-back Mandate was to be carried out in full at any time during the proposed buy-back period. However, the Directors do not intend to exercise the Share Buy-back Mandate to such extent as would, in the circumstances, have a material adverse effect on the working capital requirements of the Company or the gearing levels which in the opinion of the Directors are from time to time appropriate for the Company.

5. SHARE REPURCHASE MADE BY THE COMPANY IN PREVIOUS SIX MONTHS

No repurchase of Shares has been made by the Company during the six months prior to the Latest Practicable Date (whether on the Stock Exchange or otherwise).

6. MARKET PRICES OF SHARES

The highest and lowest prices per Share at which Shares have traded on the Stock Exchange during each of the previous twelve months before and up to the Latest Practicable Date were as follows:

Month	Highest <i>HK\$</i>	Lowest <i>HK\$</i>
2021		
April	5.25	4.03
May	5.37	4.59
June	5.19	4.34
July	4.66	3.80
August	4.81	3.50
September	5.38	4.28
October	4.76	3.96
November	4.35	3.51
December	4.23	3.58
2022		
January	3.92	3.53
February	4.02	3.42
March	3.89	2.40
April (<i>up to the Latest Practicable Date</i>)	4.79	3.80

7. GENERAL

To the best of their knowledge and having made all reasonable enquiries, none of the Directors nor any of their respective close associates (as defined in the Listing Rules) have any present intention to sell any Shares to the Company in the event that the granting of the Share Buy-back Mandate is approved by the Shareholders.

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 Shares to the Company, or that they have undertaken not to sell any Shares held by them to the Company in the event that the granting of the Share Buy-back Mandate is approved by the Shareholders.

The Directors have undertaken to the Stock Exchange to exercise the power of the Company to repurchase Shares pursuant to the Share Buy-back Mandate in accordance with the Listing Rules and the applicable laws of the Cayman Islands.

8. TAKEOVERS CODE

If, as a result of a buy-back of Shares pursuant to the Share Buy-back Mandate, a Shareholder's proportionate interest in the voting rights of the Company increases, such increase will be treated as an acquisition of voting rights for the purposes of the Takeovers Code. Accordingly, a Shareholder or a group of Shareholders acting in concert (within the meaning under the Takeovers Code), depending on the level of increase in the Shareholder's interest, could obtain or consolidate control of the Company and thereby become obliged to make a mandatory offer in accordance with Rule 26 of the Takeovers Code.

To the best knowledge of the Company, the Directors are not aware of any consequences which would arise under the Takeovers Code as a result of an exercise of the proposed Share Buy-back Mandate.

**APPENDIX III PROPOSED AMENDMENTS TO MEMORANDUM
AND ARTICLES OF ASSOCIATION**

Existing Provisions	Proposed Amendments
<p>2.2 “Companies Law” shall mean the Companies Law (2018 Revision), Cap. 22 of the Cayman Islands and any amendments thereto or re-enactments thereof for the time being in force and includes every other law incorporated therewith or substituted therefor.</p>	<p>2.2 “Companies Law<u>Act</u>” shall mean the Companies Law<u>Act</u> (2018—Revision<u>As Revised</u>), Cap. 22 of the Cayman Islands and any amendments thereto or re-enactments thereof for the time being in force and includes every other law incorporated therewith or substituted therefor.</p> <p><i>Note: All references to “Companies Law” are changed to “Companies Act”.</i></p>
<p>2.2 “Electronic Transactions Law” shall mean the Electronic Transactions Law (2003 Revision) of the Cayman Islands and any amendment thereto or re-enactments thereof for the time being in force and includes every other law incorporated therewith or substituted therefor.</p>	<p>2.2 “Electronic Transactions Law<u>Act</u>” shall mean the Electronic Transactions Law<u>Act</u> (2003—Revision<u>As Revised</u>) of the Cayman Islands and any amendment thereto or re-enactments thereof for the time being in force and includes every other law incorporated therewith or substituted therefor.</p> <p><i>Note: All references to “Electronic Transactions Law” are changed to “Electronic Transactions Act”.</i></p>
<p>2.2 In these Articles, unless there be something in the subject or context inconsistent therewith:...</p> <p>(The provisions in the right column are newly added definitions)</p>	<p>2.2 In these Articles, unless there be something in the subject or context inconsistent therewith:...</p> <p>“Communication Facilities” shall mean <u>video, video-conferencing, internet or online conferencing applications, telephone or tele-conferencing and/or any other video-communication, internet or online conferencing application or telecommunications facilities by means of which all Persons participating in a meeting are capable of hearing and being heard by each other.</u></p> <p>“Person” shall mean <u>any natural person, firm, company, joint venture, partnership, corporation, association or other entity (whether or not having a separate legal personality) or any of them as the context so requires.</u></p>

**APPENDIX III PROPOSED AMENDMENTS TO MEMORANDUM
AND ARTICLES OF ASSOCIATION**

Existing Provisions	Proposed Amendments
	<p><u>“Present” shall mean, in respect of any Person, such Person’s presence at a general meeting of members, which may be satisfied by means of such Person or, if a corporation or other non-natural Person, its duly authorised representative (or, in the case of any member, a proxy which has been validly appointed by such member in accordance with these Articles), being:</u></p> <p>(a) <u>physically present at the meeting; or</u></p> <p>(b) <u>in the case of any meeting at which Communication Facilities are permitted in accordance with these Articles, connected by means of the use of such Communication Facilities.</u></p>
<p>12.1 The Company shall hold a general meeting as its annual general meeting in each year other than the year of the Company’s adoption of these Articles, within a period of not more than 15 months after the holding of the last preceding annual general meeting or not more than 18 months after the date of adoption of these Articles (or such longer period as the Exchange may authorise). The annual general meeting shall be specified as such in the notices calling it and shall be held at such time and place as the Board shall appoint.</p>	<p>12.1 The Company shall hold a general meeting as its annual general meeting in each <u>financial year</u> other than the year of the Company’s adoption of these Articles, within a period of not more than 15 months after the holding of the last preceding annual general meeting or not more than 18 months after the date of adoption of these Articles (or such longer period as the Exchange may authorise). The annual general meeting shall be specified as such in the notices calling it and shall be held at such time and place as the Board shall appoint.</p>

**APPENDIX III PROPOSED AMENDMENTS TO MEMORANDUM
AND ARTICLES OF ASSOCIATION**

Existing Provisions	Proposed Amendments
<p>12.3 The Board may, whenever it thinks fit, convene an extraordinary general meeting. General meetings shall also be convened on the written requisition of any two or more members deposited at the principal office of the Company in Hong Kong or, in the event the Company ceases to have such a principal office, the registered office specifying the objects of the meeting and signed by the requisitionists, provided that such requisitionists held as at the date of deposit of the requisition not less than one-tenth of the paid up capital of the Company which carries the right of voting at general meetings of the Company. General meetings may also be convened on the written requisition of any one member which is a recognised clearing house (or its nominee(s)) deposited at the principal office of the Company in Hong Kong or, in the event the Company ceases to have such a principal office, the registered office specifying the objects of the meeting and signed by the requisitionist, provided that such requisitionist held as at the date of deposit of the requisition not less than one-tenth of the paid up capital of the Company which carries the right of voting at general meetings of the Company. If the Board does not within 21 days from the date of deposit of the requisition proceed duly to convene the meeting to be held within a further 21 days, the requisitionist(s) themselves or any of them representing more than one-half of the total voting rights of all of them, may convene the general meeting in the same manner, as nearly as possible, as that in which meetings may be convened by the Board provided that any meeting so convened shall not be held after the expiration of three months from the date of deposit of the requisition, and all reasonable expenses incurred by the requisitionist(s) as a result of the failure of the Board shall be reimbursed to them by the Company.</p>	<p>12.3 The Board may, whenever it thinks fit, convene an extraordinary general meeting. General meetings shall also be convened on the written requisition of any two or more members deposited at the principal office of the Company in Hong Kong or, in the event the Company ceases to have such a principal office, the registered office specifying the objects of the meeting and signed by the requisitionists, provided that such requisitionists held as at the date of deposit of the requisition not less than one-tenth of the paid up capital of the Company which carries the right of voting at general meetings of the Company. General meetings may also be convened on the written requisition of any one member which is a recognised clearing house (or its nominee(s)) deposited at the principal office of the Company in Hong Kong or, in the event the Company ceases to have such a principal office, the registered office specifying the objects of the meeting, <u>the resolutions to be added to the meeting agenda,</u> and signed by the requisitionist, provided that such requisitionist held as at the date of deposit of the requisition not less than one-tenth of the <u>paid-up voting rights, on a one vote per share basis, in the share capital of the Company</u> which carries the right of voting at general meetings of the Company. If the Board does not within 21 days from the date of deposit of the requisition proceed duly to convene the meeting to be held within a further 21 days, the requisitionist(s) themselves or any of them representing more than one-half of the total voting rights of all of them, may convene the general meeting in the same manner, as nearly as possible, as that in which meetings may be convened by the Board provided that any meeting so convened shall not be held after the expiration of three months from the date of deposit of the requisition, and all reasonable expenses incurred by the requisitionist(s) as a result of the failure of the Board shall be reimbursed to them by the Company.</p>

**APPENDIX III PROPOSED AMENDMENTS TO MEMORANDUM
AND ARTICLES OF ASSOCIATION**

Existing Provisions	Proposed Amendments
(Not applicable. The provision in the right column is newly added)	12.4 The Directors may make <u>Communication Facilities</u> available for a <u>specific general meeting</u> or all general meetings of the Company so that members and other participants may attend and participate at such general meetings by means of such Communication Facilities.
12.4 An annual general meeting shall be called by not less than 21 days' notice in writing and any extraordinary general meeting shall be called by not less than 14 days' notice in writing. Subject to the requirement under the Listing Rules, the notice shall be exclusive of the day on which it is served or deemed to be served and of the day for which it is given, and shall specify the time, place, and agenda of the meeting, particulars of the resolutions and the general nature of the business to be considered at the meeting. Notice of every general meeting shall be given to the Auditors and to all members other than such as, under the provisions hereof or the terms of issue of the shares they hold, are not entitled to receive such notice from the Company.	12.4 ⁵ An annual general meeting shall be called by not less than 21 days' notice in writing and any extraordinary general meeting shall be called by not less than 14 days' notice in writing. Subject to the requirement under the Listing Rules, the notice shall be exclusive of the day on which it is served or deemed to be served and of the day for which it is given, and shall specify the time, place, and agenda of the meeting, particulars of the resolutions and the general nature of the business to be considered at the meeting. The notice convening an annual general meeting shall specify the meeting as such, and the notice convening a meeting to pass a special resolution shall specify the intention to propose the resolution as a special resolution. <u>The notice of any general meeting at which Communication Facilities will be utilised must disclose the Communication Facilities that will be utilised, including the procedures to be followed by any member or other participant of the general meeting who wishes to utilise such Communication Facilities for the purpose of attending, participating and voting at such meeting.</u> Notice of every general meeting shall be given to the Auditors and to all members other than such as, under the provisions hereof or the terms of issue of the shares they hold, are not entitled to receive such notice from the Company.

**APPENDIX III PROPOSED AMENDMENTS TO MEMORANDUM
AND ARTICLES OF ASSOCIATION**

Existing Provisions	Proposed Amendments
<p>13.1 For all purposes the quorum for a general meeting shall be two members present in person (or in the case of a corporation, by its duly authorised representative) or by proxy provided always that if the Company has only one member of record the quorum shall be that one member present in person or by proxy. No business (except the appointment of a Chairman) shall be transacted at any general meeting unless the requisite quorum shall be present at the commencement of the business.</p>	<p>13.1 For all purposes the quorum for a general meeting shall be two members present in person (or in the case of a corporation, by its duly authorised representative) or by proxy <u>Present</u> provided always that if the Company has only one member of record the quorum shall be that one member present in person or by proxy <u>Present</u>. No business (except the appointment of a Chairman) shall be transacted at any general meeting unless the requisite quorum shall be present <u>Present</u> at the commencement of the business.</p>
<p>13.2 If within 15 minutes from the time appointed for the meeting a quorum is not present, the meeting, if convened upon the requisition of members, shall be dissolved, but in any other case it shall stand adjourned to the same day in the next week and at such time and place as shall be decided by the Board, and if at such adjourned meeting a quorum is not present within 15 minutes from the time appointed for holding the meeting, the member or members present in person (or in the case of a corporation, by its duly authorised representative) or by proxy shall be a quorum and may transact the business for which the meeting was called.</p>	<p>13.2 If within 15 minutes from the time appointed for the meeting a quorum is not present <u>Present</u>, the meeting, if convened upon the requisition of members, shall be dissolved, but in any other case it shall stand adjourned to the same day in the next week and at such time and place as shall be decided by the Board, and if at such adjourned meeting a quorum is not present <u>Present</u> within 15 minutes from the time appointed for holding the meeting, the member or members present in person (or in the case of a corporation, by its duly authorised representative) or by proxy <u>Present</u> shall be a quorum and may transact the business for which the meeting was called.</p>
<p>13.3 The chairman of the board of Directors shall take the chair at every general meeting, or, if there be no such chairman or, if at any general meeting such chairman shall not be present within 15 minutes after the time appointed for holding such meeting or is unwilling to act, the Directors present shall choose another Director as Chairman, and if no Director be present, or if all the Directors present decline to take the chair, or if the Chairman chosen shall retire from the chair, then the members present (whether in person or represented by proxy or duly authorised representative) shall choose one of their own number to be Chairman.</p>	<p>13.3 The chairman of the board of Directors shall take the chair at every general meeting, or, if there be no such chairman or, if at any general meeting such chairman shall not be present <u>Present</u> within 15 minutes after the time appointed for holding such meeting or is unwilling to act, the Directors present <u>Present</u> shall choose another Director as Chairman, and if no Director be present <u>Present</u>, or if all the Directors present <u>Present</u> decline to take the chair, or if the Chairman chosen shall retire from the chair, then the members present (whether in person or represented by proxy or duly authorised representative) <u>Present</u> shall choose one of their own number to be Chairman.</p>

Existing Provisions	Proposed Amendments
(Not applicable. The provision in the right column is newly added)	<p>13.4 <u>The Chairman of any general meeting shall be entitled to attend and participate at such general meeting by means of Communication Facilities, and to act as the Chairman, in which event:</u></p> <p>(a) <u>the Chairman shall be deemed to be Present at the meeting; and</u></p> <p>(b) <u>if the Communication Facilities are interrupted or fail for any reason to enable the Chairman to hear and be heard by all other Persons attending and participating at the meeting, then the other Directors Present at the meeting shall choose another Director Present to act as Chairman of the meeting for the remainder of the meeting; provided that (i) if no other Director is Present at the meeting, or (ii) if all the Directors Present decline to take the chair, then the meeting shall be automatically adjourned to the same day in the next week and at such time and place as shall be decided by the Board.</u></p>
<p>13.4 The Chairman may, with the consent of any general meeting at which a quorum is present, and shall, if so directed by the meeting, adjourn any meeting from time to time and from place to place as the meeting shall determine. Whenever a meeting is adjourned for 14 days or more, at least seven clear days' notice, specifying the place, the day and the hour of the adjourned meeting shall be given in the same manner as in the case of an original meeting but it shall not be necessary to specify in such notice the nature of the business to be transacted at the adjourned meeting. Save as aforesaid, no member shall be entitled to any notice of an adjournment or of the business to be transacted at any adjourned meeting. No business shall be transacted at any adjourned meeting other than the business which might have been transacted at the meeting from which the adjournment took place.</p>	<p>13.4⁵ <u>The Chairman may, with the consent of any general meeting at which a quorum is present</u>Present, and shall, if so directed by the meeting, adjourn any meeting from time to time and from place to place as the meeting shall determine. Whenever a meeting is adjourned for 14 days or more, at least seven clear days' notice, specifying the place, the day and the hour of the adjourned meeting shall be given in the same manner as in the case of an original meeting but it shall not be necessary to specify in such notice the nature of the business to be transacted at the adjourned meeting. Save as aforesaid, no member shall be entitled to any notice of an adjournment or of the business to be transacted at any adjourned meeting. No business shall be transacted at any adjourned meeting other than the business which might have been transacted at the meeting from which the adjournment took place.</p>

**APPENDIX III PROPOSED AMENDMENTS TO MEMORANDUM
AND ARTICLES OF ASSOCIATION**

Existing Provisions	Proposed Amendments
<p>14.1 Subject to any special rights, privileges or restrictions as to voting for the time being attached to any class or classes of shares, at any general meeting where a show of hands is allowed, every member present in person (or, in the case of a member being a corporation, by its duly authorised representative) shall have one vote, and on a poll every member present in person (or, in the case of a member being a corporation, by its duly authorised representative) or by proxy shall have one vote for each share registered in his name in the register. On a poll a member entitled to more than one vote is under no obligation to cast all his votes in the same way. For the avoidance of doubt, where more than one proxy is appointed by a recognised clearing house (or its nominee(s)), each such proxy shall have one vote on a show of hands and is under no obligation to cast all his votes in the same way on a poll.</p>	<p>14.1 Subject to any special rights, privileges or restrictions as to voting for the time being attached to any class or classes of shares, at any general meeting where <u>(a) every member Present shall have the right to speak, (b) on a show of hands</u>is allowed, every member present in person (or, in the case of a member being a corporation, by its duly authorised representative) <u>Present</u> shall have one vote, and <u>(c)</u> on a poll every member present in person (or, in the case of a member being a corporation, by its duly authorised representative) or by proxy <u>Present</u> shall have one vote for each share registered in his name in the register. On a poll a member entitled to more than one vote is under no obligation to cast all his votes in the same way. For the avoidance of doubt, where more than one proxy is appointed by a recognised clearing house (or its nominee(s)), each such proxy shall have one vote on a show of hands and is under no obligation to cast all his votes in the same way on a poll.</p>
<p>14.4 Where there are joint registered holders of any share, any one of such persons may vote at any meeting, either personally or by proxy, in respect of such share as if he were solely entitled thereto; but if more than one of such joint holders be present at any meeting personally or by proxy, that one of the said persons so present being the most or, as the case may be, the more senior shall alone be entitled to vote in respect of the relevant joint holding and, for this purpose, seniority shall be determined by reference to the order in which the names of the joint holders stand on the register in respect of the relevant joint holding. Several executors or administrators of a deceased member in whose name any share stands shall for the purposes of this Article be deemed joint holders thereof.</p>	<p>14.4 Where there are joint registered holders of any share, any one of such persons may vote at any meeting, either personally or by proxy, in respect of such share as if he were solely entitled thereto; but if more than one of such joint holders be present <u>Present</u> at any meeting personally or by proxy, that one of the said persons so present <u>Present</u> being the most or, as the case may be, the more senior shall alone be entitled to vote in respect of the relevant joint holding and, for this purpose, seniority shall be determined by reference to the order in which the names of the joint holders stand on the register in respect of the relevant joint holding. Several executors or administrators of a deceased member in whose name any share stands shall for the purposes of this Article be deemed joint holders thereof.</p>

Existing Provisions	Proposed Amendments
<p>14.6 Save as expressly provided in these Articles or as otherwise determined by the Board, no person other than a member duly registered and who shall have paid all sums for the time being due from him payable to the Company in respect of his shares shall be entitled to be present or to vote (save as proxy for another member), or to be reckoned in a quorum, either personally or by proxy at any general meeting.</p>	<p>14.6 Save as expressly provided in these Articles or as otherwise determined by the Board, no person other than a member duly registered and who shall have paid all sums for the time being due from him payable to the Company in respect of his shares shall be entitled to be present <u>Present</u> or to vote (save as proxy for another member), or to be reckoned in a quorum, either personally or by proxy at any general meeting.</p>
<p>14.14 Any corporation which is a member may, by resolution of its directors or other governing body or by power of attorney, authorise such person as it thinks fit to act as its representative at any meeting of the Company or of members of any class of shares and the person so authorised shall be entitled to exercise the same powers on behalf of the corporation which he represents as that corporation could exercise if it were an individual member and where a corporation is so represented, it shall be treated as being present at any meeting in person.</p>	<p>14.14 Any corporation which is a member may, by resolution of its directors or other governing body or by power of attorney, authorise such person as it thinks fit to act as its representative at any meeting of the Company or of members of any class of shares and the person so authorised shall be entitled to exercise the same powers on behalf of the corporation which he represents as that corporation could exercise if it were an individual member and where a corporation is so represented, it shall be treated as being present <u>Present</u> at any meeting in person.</p>
<p>16.2 The Board shall have power from time to time and at any time to appoint any person as a Director either to fill a casual vacancy or as an addition to the Board. Any Director so appointed shall hold office only until the next following general meeting of the Company and shall then be eligible for re-election at that meeting.</p>	<p>16.2 The Board shall have power from time to time and at any time to appoint any person as a Director either to fill a casual vacancy or as an addition to the Board. Any Director so appointed shall hold office only until the next following <u>first annual</u> general meeting of the Company <u>after his appointment</u> and shall then be eligible for re-election at that meeting.</p>

**APPENDIX III PROPOSED AMENDMENTS TO MEMORANDUM
AND ARTICLES OF ASSOCIATION**

Existing Provisions	Proposed Amendments
<p>16.6 The Company may by ordinary resolution at any time remove any Director (including a Managing Director or other executive Director) before the expiration of his period of office notwithstanding anything in these Articles or in any agreement between the Company and such Director and may by ordinary resolution elect another person in his stead. Any person so elected shall hold office during such time only as the Director in whose place he is elected would have held the same if he had not been removed. Nothing in this Article should be taken as depriving a Director removed under any provision of this Article of compensation or damages payable to him in respect of the termination of his appointment as Director or of any other appointment or office as a result of the termination of his appointment as Director or as derogatory from any power to remove a Director which may exist apart from the provision of this Article.</p>	<p>16.6 The Company may by ordinary resolution at any time remove any Director (including a Managing Director or other executive Director) before the expiration of his period <u>term</u> of office notwithstanding anything in these Articles or in any agreement between the Company and such Director and may by ordinary resolution elect another person in his stead. Any person so elected shall hold office during such time only as the Director in whose place he is elected would have held the same if he had not been removed. Nothing in this Article should be taken as depriving a Director removed under any provision of this Article of compensation or damages payable to him in respect of the termination of his appointment as Director or of any other appointment or office as a result of the termination of his appointment as Director or as derogatory from any power to remove a Director which may exist apart from the provision of this Article.</p>
<p>16.8 ... Every Director (including those appointed for a specific term) shall be subject to retirement by rotation at least once every three years. Any Director appointed pursuant to Article 16.2 or Article 16.3 shall not be taken into account in determining which Directors are to retire by rotation. A retiring Director shall retain office until the close of the meeting at which he retires and shall be eligible for re-election thereat. The Company at any annual general meeting at which any Directors retire may fill the vacated office by electing a like number of persons to be Directors.</p>	<p>16.8 ... Every <u>At every annual general meeting of the Company one-third of the Directors for the time being (or, if their number is not three or a multiple of three, then the number nearest to, but not less than, one-third) shall retire from office by rotation provided that</u> Director (including those appointed for a specific term) shall be subject to retirement by rotation at least once every three years. Any Director appointed pursuant to Article 16.2 or Article 16.3 shall not be taken into account in determining which Directors are to retire by rotation. A retiring Director shall retain office until the close of the meeting at which he retires and shall be eligible for re-election thereat. The Company at any annual general meeting at which any Directors retire may fill the vacated office by electing a like number of persons to be Directors.</p>

**APPENDIX III PROPOSED AMENDMENTS TO MEMORANDUM
AND ARTICLES OF ASSOCIATION**

Existing Provisions	Proposed Amendments
<p>29.1 The Auditors shall audit the profit and loss account and balance sheet of the Company in each year and shall prepare a report thereon to be annexed thereto. Such report shall be laid before the Company at its annual general meeting in each year and shall be open to inspection by any member. The Auditors shall at the next annual general meeting following their appointment and at any other time during their term of office, upon request of the Board or any general meeting of the members, make a report on the accounts of the Company in general meeting during their tenure of office.</p>	<p>29.1 The Auditors shall audit the profit and loss account and balance sheet of the Company in each <u>financial</u> year and shall prepare a report thereon to be annexed thereto. Such report shall be laid before the Company at its annual general meeting in each year and shall be open to inspection by any member. The Auditors shall at the next annual general meeting following their appointment and at any other time during their term of office, upon request of the Board or any general meeting of the members, make a report on the accounts of the Company in general meeting during their tenure of office.</p>
<p>29.2 The Company shall at every annual general meeting appoint an auditor or auditors of the Company who shall hold office until the next annual general meeting. The removal of an Auditor before the expiration of his period of office shall require the approval of an ordinary resolution of the members in general meeting. The remuneration of the Auditors shall be fixed by the Company at the annual general meeting at which they are appointed provided that in respect of any particular year the Company in general meeting may delegate the fixing of such remuneration to the Board. No person may be appointed as the, or an, Auditor, unless he is independent of the Company. The Board may before the first annual general meeting appoint an auditor or auditors of the Company who shall hold office until the first annual general meeting unless previously removed by an ordinary resolution of the members in general meeting in which case the members at that meeting may appoint Auditors. The Board may fill any casual vacancy in the office of Auditor but while any such vacancy continues the surviving or continuing Auditor or Auditors, if any, may act. The remuneration of any Auditor appointed by the Board under this Article may be fixed by the Board.</p>	<p>29.2 The Company shall at every annual general meeting <u>by ordinary resolution</u> appoint an auditor or auditors of the Company who shall hold office until the next annual general meeting. The removal of an Auditor before the expiration of his period of office shall require the approval of an ordinary resolution of the members in general meeting. The remuneration of the Auditors shall be fixed by the Company at the annual general meeting at which they are appointed <u>by ordinary resolution</u> provided that in respect of any particular year the Company in general meeting may delegate the fixing of such remuneration to the Board. No person may be appointed as the, or an, Auditor, unless he is independent of the Company. The Board may before the first annual general meeting appoint an auditor or auditors of the Company who shall hold office until the first annual general meeting unless previously removed by an ordinary resolution of the members in general meeting in which case the members at that meeting may appoint Auditors. The Board may fill any casual vacancy in the office of Auditor but while any such vacancy continues the surviving or continuing Auditor or Auditors, if any, may act. The remuneration of any Auditor appointed by the Board under this Article may be fixed by the Board.</p>

**APPENDIX III PROPOSED AMENDMENTS TO MEMORANDUM
AND ARTICLES OF ASSOCIATION**

Existing Provisions	Proposed Amendments
(Not applicable. The provision in the right column is newly added)	<u>32.1 Subject to the Companies Act, the Company may by special resolution resolve that the Company be wound up voluntarily.</u>
34. The financial year of the Company shall be prescribed by the Board and may, from time to time, be changed by it.	34. The financial year of the Company shall be prescribed by the Board and may, from time to time, be changed by it. <u>Unless the Directors otherwise prescribe, the financial year of the Company shall end on 31 December in each year and, following the year of incorporation, shall begin on 1 January in each year.</u>

NOTICE OF ANNUAL GENERAL MEETING



HUA MEDICINE

華領醫藥

(Incorporated in the Cayman Islands with limited liability)

(Stock code: 2552)

Notice is hereby given that the Annual General Meeting of Hua Medicine (the “**Company**”) will be held at Hua Medicine’s headquarter (Building 2, Lane 36, Xuelin Road, Pudong New Area, Shanghai, PRC) on Thursday, June 23, 2022 at 10 a.m. for the following purposes:

1. To receive and consider the audited consolidated financial statements of the Company and the reports of the directors and auditors for the year ended December 31, 2021.
- 2(a). To re-elect Mr. George Chien Cheng LIN as executive director of the Company.
- 2(b). To re-elect Mr. Robert Taylor NELSEN as non-executive director of the Company.
- 2(c). To re-elect Ms. Wei ZHAO as non-executive director of the Company.
- 2(d). To re-elect Mr. William Robert KELLER as independent non-executive director of the Company.
- 2(e). To authorize the board of directors of the Company to fix the respective directors’ remuneration.
3. To re-appoint Deloitte Touche Tohmatsu as the Company’s auditor and to authorize the board of directors of the Company to fix their remuneration.
4. To consider and, if thought fit, pass with or without amendments, the following resolution as an ordinary resolution:

“THAT:

- (a) subject to paragraph (b) below, a general mandate be and is hereby generally and unconditionally given to the directors of the Company to exercise during the Relevant Period (as defined below) all the powers of the Company to repurchase its shares in accordance with all applicable laws, rules and regulations;

NOTICE OF ANNUAL GENERAL MEETING

(b) the total number of shares of the Company to be repurchased pursuant to the mandate in paragraph (a) above shall not exceed 10% of the total number of issued shares of the Company as at the date of passing of this resolution (subject to adjustment in the case of any consolidation or subdivision of shares of the Company after the date of passing of this resolution); and

(c) for the purposes of this resolution:

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

(i) the conclusion of the next annual general meeting of the Company following the passing of the resolution at which time it shall lapse unless, by ordinary resolution passed at that meeting, the authority is renewed, either unconditionally or subject to conditions; or

(ii) revoked or varied by ordinary resolution of the Shareholders in general meeting,

whichever occurs first.”

5. To consider and, if thought fit, pass with or without amendments, the following resolution as an ordinary resolution:

“THAT:

(a) subject to paragraph (b) below, a general mandate be and is hereby generally and unconditionally given to the directors of the Company to allot, issue and deal with additional shares in the capital of the Company and to make or grant offers, agreements and options which might require the exercise of such powers during or after the end of the Relevant Period (as defined below) in accordance with all applicable laws, rules and regulations;

(b) the aggregate number of shares allotted or agreed conditionally or unconditionally to be allotted by the directors pursuant to the mandate in paragraph (a) above, otherwise than pursuant to:

(i) a Rights Issue (as defined below);

(ii) the exercise of options under a share option scheme of the Company; and

(iii) any scrip dividend scheme or similar arrangement providing for the allotment of shares in lieu of the whole or part of a dividend on shares of the Company in accordance with the articles of association of the Company,

NOTICE OF ANNUAL GENERAL MEETING

shall not exceed 20% of the total number of issued shares of the Company as at the date of passing of this resolution (subject to adjustment in the case of any consolidation or subdivision of shares of the Company after the date of passing of this resolution); and

(c) for the purposes of this resolution:

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

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

“Rights Issue” means an offer of shares open for a period fixed by the directors to holders of shares of the Company or any class thereof on the register on a fixed record date in proportion to their then holdings of such shares or class thereof (subject to such exclusions or other arrangements as the directors may deem necessary or expedient in relation to fractional entitlements or having regard to any restrictions or obligations under the laws of any relevant jurisdiction or the requirements of any recognized regulatory body or any stock exchange).”

6. To consider and, if thought fit, pass with or without amendments, the following resolution as an ordinary resolution:

“THAT conditional upon the passing of the resolutions set out in items 4 and 5 of the notice convening this meeting (the “Notice”), the general mandate referred to in the resolution set out in item 5 of the Notice be and is hereby extended by the addition to the aggregate number of shares which may be allotted and issued or agreed conditionally or unconditionally to be allotted and issued by the directors pursuant to such general mandate of the number of shares repurchased by the Company pursuant to the mandate referred to in resolution set out in item 4 of the Notice, provided that such number of shares shall not exceed 10% of the total number of issued shares of the Company as at the date of passing of this resolution (subject to adjustment in the case of any consolidation or subdivision of shares of the Company after the date of passing of this resolution).”

NOTICE OF ANNUAL GENERAL MEETING

7. To consider and, if thought fit, pass the following resolution as a special resolution:

“THAT the adoption of the second amended and restated memorandum and articles of association of the Company in substitution for, and to the exclusion of, the existing memorandum and articles of association of the Company as set out in Appendix III of the circular of the Company dated April 19, 2022 be and is hereby approved.”

By Order of the Board

Dr. Li Chen

*Chief Executive Officer and
Executive Director*

Hong Kong, April 19, 2022

Registered Office:

The offices of Maples Corporate
Services Limited
PO Box 309, Ugland House
Grand Cayman, KY1-1104
Cayman Islands

Head Office:

Hua Medicine, Building 2
Lane 36, Xuelin Road
Pudong New Area
Shanghai 201203, PRC

Principal Place of Business

in Hong Kong:
Suite 2202, Methodist House
36 Hennessy Road
Wanchai, Hong Kong

NOTICE OF ANNUAL GENERAL MEETING

Notes:

1. All resolutions at the meeting will be taken by poll (except where the chairman decides to allow a resolution relating to a procedural or administrative matter to be voted on by a show of hands) pursuant to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Listing Rules"). The results of the poll will be published on the websites of Hong Kong Exchanges and Clearing Limited and the Company in accordance with the Listing Rules.
2. Any shareholder of the Company entitled to attend and vote at the meeting is entitled to appoint a proxy/more than one proxy to attend and vote instead of him. A proxy need not be a shareholder of the Company. If more than one proxy is appointed, the number of shares in respect of which each such proxy so appointed must be specified in the relevant form of proxy. Every shareholder present in person or by proxy shall be entitled to one vote for each share held by him.
3. In order to be valid, the form of proxy together with the power of attorney or other authority, if any, under which it is signed or a certified copy of that power of attorney or authority, must be deposited at the Company's share registrar in Hong Kong, Tricor Investor Services Limited, at Level 54, Hopewell Centre, 183 Queen's Road East, Hong Kong not less than 48 hours before the time appointed for the meeting (i.e. not later than 10 a.m. on Tuesday, June 21, 2022 (Hong Kong time)) or the adjourned meeting (as the case may be). Completion and return of the form of proxy shall not preclude a shareholder of the Company from attending and voting in person at the meeting and, in such event, the instrument appointing a proxy shall be deemed to be revoked.
4. For determining the entitlement to attend and vote at the meeting, the register of members of the Company will be closed from on Monday, June 20, 2022 to on Thursday, June 23, 2022, both dates inclusive, during which period no transfer of shares will be registered. In order to be eligible to attend and vote at the Annual General Meeting, unregistered holders of shares of the Company shall ensure that all transfer documents accompanied by the relevant share certificates must be lodged with the Company's share registrar in Hong Kong, Tricor Investor Services Limited, at Level 54, Hopewell Centre, 183 Queen's Road East, Hong Kong for registration not later than 4:30 p.m. on Friday, June 17, 2022.
5. References to time and dates in this notice are to Hong Kong time and dates.

As of the date of this notice, the Board of Directors comprises Dr. Li Chen and Mr. George Chien Cheng Lin as executive Directors; Mr. Robert Taylor Nelsen and Ms. Wei Zhao as non-executive Directors; and Mr. Walter Teh-Ming Kwauk, Mr. William Robert Keller, Mr. Junling Liu, and Mr. Yiu Wa Alec Tsui as independent non-executive Directors.

6. Precautionary measures for the Annual General Meeting:

The health of our shareholders, staff and stakeholders is of paramount importance to us. In view of the ongoing Novel Coronavirus (COVID-19) pandemic, the Company will implement the following precautionary measures at the Annual General Meeting to protect attending shareholders, staff and stakeholders from the risk of infection:–

- (i) Compulsory body temperature checks will be conducted for every shareholder, proxy or other attendee at each entrance of the meeting venue. Any person with a body temperature of over 37.4 degrees Celsius may be denied entry into the meeting venue or be required to leave the meeting venue.
- (ii) The Company encourages each attendee to wear a surgical face mask throughout the meeting and inside the meeting venue, and to maintain a safe distance between seats.
- (iii) No refreshment will be served, and there will be no corporate gift.

In addition, the Company reminds all shareholders that physical attendance in person at the meeting is not necessary for the purpose of exercising voting rights. Shareholders may appoint the chairman of the meeting as their proxy to vote on the relevant resolution(s) at the meeting instead of attending the meeting in person, by completing and return the proxy form attached to this document.

If any shareholder chooses not to attend the meeting in person but has any question about any resolution or about the Company, or has any matter for communication with the board of directors of the Company, he/she is welcome to send such question or matter in writing to our registered office or to our email at ir@huamedicine.com. If any shareholder has any question relating to the meeting, please contact Tricor Investor Services Limited, the Company's share registrar in Hong Kong as follows:–

Tricor Investor Services Limited
Level 54, Hopewell Centre 183 Queen's Road East, Hong Kong
Email: is-enquiries@hk.tricorglobal.com
Tel: (852) 2980 1333
Fax: (852) 2810 8185

Due to the potential unpredictable development of the COVID-19 pandemic, the Company may be required to change the meeting arrangements for the Annual General Meeting at short notice. Shareholders are advised to check the websites of Hong Kong Exchanges and Clearing Limited (www.hkexnews.hk) and the Company (www.huamedicine.com) for further announcement(s) and update(s) on such arrangements and/or further precautionary measures to be taken.