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If you are in any doubt about this circular or as to the action to be taken, you should consult your stockbroker, bank manager, solicitor, professional accountant or other professional adviser.

If you have sold or transferred all your shares in **3SBio Inc.**, you should at once hand this circular to the purchaser or transferee or to the bank, stockbroker or other agent through whom the sale was effected for transmission to the purchaser or transferee.

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三生制药
3SBIO INC.

(Incorporated in the Cayman Islands with limited liability)
(Stock Code: 1530)

GENERAL MANDATES TO ISSUE AND REPURCHASE SHARES, RE-ELECTION AND ELECTION OF DIRECTORS AND NOTICE OF ANNUAL GENERAL MEETING

A notice convening the Annual General Meeting of 3SBio Inc. to be held at No. 3 A1, Road 10, Shenyang Economy and Technology Development Zone, Shenyang, People's Republic of China on 29 June 2021 at 10 a.m. is set out on pages 14 to 19 of this circular. A form of proxy for use at the Annual General Meeting is also enclosed. Such form of proxy is also published on the websites of the Stock Exchange (www.hkexnews.hk) and the Company (www.3sbio.com). Whether or not you are able to attend the Annual General Meeting, you are requested to complete the form of proxy in accordance with the instructions printed thereon and return it to the Hong Kong share registrar of the Company, Computershare Hong Kong Investor Services Limited, at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong as soon as possible but in any event not less than 48 hours before the time appointed for the holding of the Annual General Meeting or any adjournment thereof. Completion and return of the form of proxy will not preclude Shareholders from attending and voting in person at the Annual General Meeting (or any adjournment thereof) if they so wish. **The Company strongly recommends you to closely monitor the development of the situation with the novel coronavirus pneumonia (COVID-19) pandemic and to assess, based on the social distancing policies, the necessity for attending the Annual General Meeting in person.**

28 May 2021

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DEFINITIONS

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

“Annual General Meeting”	the annual general meeting of the Company to be held at No. 3 A1, Road 10, Shenyang Economy and Technology Development Zone, Shenyang, People’s Republic of China on 29 June 2021 at 10 a.m. or any adjournment thereof and notice of which is set out on pages 14 to 19 of this circular
“Articles of Association”	the articles of association of the Company adopted on 23 May 2015 and effective on 11 June 2015, and as amended from time to time
“Board”	the board of Directors
“Company”	3SBio Inc. (三生制药), a company incorporated in the Cayman Islands with limited liability, the Shares of which are listed on the main board of the Stock Exchange
“Companies Law”	the Companies Law, Chapter 22 (Law 3 of 1961, as consolidated and revised) of the Cayman Islands as amended, supplemented or otherwise modified from time to time
“CS Sunshine”	CS Sunshine Investment Limited, a company incorporated in the British Virgin Islands and a substantial shareholder (as defined in the Listing Rules) of the Company
“Director(s)”	the director(s) of the Company
“General Mandate”	a general mandate proposed to be granted to the Directors at the Annual General Meeting to allot, issue and/or deal with Shares not exceeding 20% of the number of issued Shares as at the date of passing of the relevant resolution granting the General Mandate
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong dollar, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Latest Practicable Date”	20 May 2021, being the latest practicable date prior to the printing of this circular for the purpose of ascertaining certain information contained in this circular
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange, as amended from time to time
“Repurchase Mandate”	a general mandate proposed to be granted to the Directors at the Annual General Meeting to repurchase Shares not exceeding 10% of the number of the issued Shares as at the date of passing of the relevant resolution granting the Repurchase Mandate

DEFINITIONS

“Securities and Futures Ordinance”	Securities and Futures Ordinance, Chapter 571 of the Laws of Hong Kong, as amended from time to time
“Share(s)”	ordinary share(s) of nominal value of US\$0.00001 each in the capital of the Company
“Shareholder(s)”	the holder(s) of the Share(s)
“Single Largest Shareholder’s Group”	refers to, collectively, Dr. LOU Jing (as the single largest shareholder of the Company), Mr. TAN Bo (a former Director), Ms. SU Dongmei, Mr. HUANG Bin, and certain trusts established by some of them as settlors, and their respective controlled corporations, including Lambda International Limited, Century Sunshine Limited, Decade Sunshine Limited, Hero Grand Management Limited, Honor Success Holdings Limited, Triple Talent Enterprises Limited, Joint Palace Group Limited, Known Virtue International Limited, Universal Vintage Limited and Medical Recovery Limited who form a group of substantial shareholders (as defined in the Listing Rules)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Sunshine Guojian”	Sunshine Guojian Pharmaceutical (Shanghai) Co., Ltd. (三生國健藥業(上海)股份有限公司) (formerly known as Shanghai CP Guojian Pharmaceutical Co., Ltd. (上海中信國健藥業股份有限公司))
“Takeovers Code”	the Code on Takeovers and Mergers and Share Buy-backs issued by the Securities and Futures Commission of Hong Kong, as amended from time to time
“US\$”	United States dollars, the lawful currency of the United States
“%”	per cent

LETTER FROM THE BOARD



三生制药
3SBIO INC.

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1530)

Executive Directors:

Dr. LOU Jing (*Chairman*)

Ms. SU Dongmei

Non-executive Directors:

Mr. HUANG Bin

Mr. TANG Ke

Independent non-executive Directors:

Mr. PU Tianruo

Mr. David Ross PARKINSON

Dr. WONG Lap Yan

Registered office (in the Cayman Islands):

Cricket Square, Hutchins Drive

PO Box 2681

Grand Cayman, KY1-1111

Cayman Islands

Head Office:

No. 3 A1, Road 10

Shenyang Economy and Technology

Development Zone

Shenyang

People's Republic of China

Principal place of business in Hong Kong:

31/F, Tower Two, Times Square

1 Matheson Street

Causeway Bay

Hong Kong

28 May 2021

To the Shareholders

Dear Sir or Madam,

**GENERAL MANDATE TO ISSUE AND REPURCHASE SHARES,
RE-ELECTION AND ELECTION OF DIRECTORS
AND
NOTICE OF ANNUAL GENERAL MEETING**

INTRODUCTION

The purpose of this circular is to give you notice of the Annual General Meeting and the following proposals to be put forward at the Annual General Meeting: (a) granting of the General Mandate to issue Shares; (b) granting of the Repurchase Mandate to repurchase Shares; and (c) the re-election and election of Directors.

LETTER FROM THE BOARD

GENERAL MANDATE TO ISSUE SHARES

In order to ensure flexibility and give discretion to the Directors, in the event that it becomes desirable for the Company to issue any new Shares, approval is to be sought from the Shareholders, pursuant to the Listing Rules, for the General Mandate to issue Shares. At the Annual General Meeting, an ordinary resolution numbered 4(A) will be proposed to grant the General Mandate to the Directors to exercise the powers of the Company to allot, issue and deal with additional Shares not exceeding 20% of the number of issued Shares as at the date of passing of the resolution in relation to the General Mandate.

As at the Latest Practicable Date, 2,548,600,999 Shares had been issued and are fully paid. Subject to the passing of the ordinary resolution numbered 4(A) and on the basis that no further Shares are issued or repurchased after the Latest Practicable Date and up to the date of the Annual General Meeting, the Company will be allowed to issue a maximum of 509,720,199 Shares.

In addition, subject to separate approval of the ordinary resolution numbered 4(C), the number of Shares purchased by the Company under ordinary resolution numbered 4(B) will also be added to extend the General Mandate as mentioned in ordinary resolution numbered 4(A) provided that such additional number of Shares shall represent up to 10% of the number of issued Shares as at the date of passing of the resolutions in relation to the General Mandate and the Repurchase Mandate.

The Directors confirmed that, as at the Latest Practicable Date, they had no immediate plans to exercise the General Mandate.

REPURCHASE MANDATE TO REPURCHASE SHARES

In addition, an ordinary resolution will be proposed at the Annual General Meeting to approve the granting of the Repurchase Mandate to the Directors to exercise the powers of the Company to repurchase Shares representing up to 10% of the number of issued Shares as at the date of passing of the resolution in relation to the Repurchase Mandate.

An explanatory statement required by the Listing Rules to be sent to the Shareholders in connection with the proposed Repurchase Mandate is set out in Appendix II to this circular. This explanatory statement contains all information reasonably necessary to enable the Shareholders to make an informed decision on whether to vote for or against the relevant resolution at the Annual General Meeting.

RE-ELECTION OF DIRECTORS

In accordance with article 84(1) of the Articles of Association, one-third of the Directors for the time being (or if their number is not a multiple of three, the number nearest to but not less than one-third) will retire from office by rotation and will be eligible for re-election and re-appointment at every annual general meeting, provided that every Director shall be subject to retirement by rotation at least once every three years. Accordingly, Dr. LOU Jing, Mr. PU Tianruo and Mr. David Ross PARKINSON shall retire by rotation as Directors at the Annual General Meeting. Save and except that Mr. David Ross PARKINSON who has decided not to offer himself for re-election of Director at the Annual General Meeting, the remaining retiring Directors, being eligible, will offer themselves for re-election at the Annual General Meeting.

LETTER FROM THE BOARD

Mr. David Ross PARKINSON has recently informed the Company that he will not stand for re-election at the Annual General Meeting due to his decision to devote more time to his personal endeavours. Mr. PARKINSON has confirmed that he has no disagreement with the Board and there are no other matters in relation to his retirement that need to be brought to the attention of the Stock Exchange and the Shareholders.

Dr. LOU Jing, being the Chairman and founder of the Group, is instrumental to the continuous growth and development of the Group. Mr. PU Tianruo has continued to provide independent and objective judgment and advice to the Board to safeguard the interests of the Company and the Shareholders as a whole, and the Board is satisfied with his independence having regard to the independence criteria as set out in Rule 3.13 of the Listing Rules. Both of them have continuously demonstrated firm commitment to their respective roles. Details of the two retiring Directors who are subject to re-election at the Annual General Meeting are set out in Appendix I to this circular in accordance with the relevant requirements of the Listing Rules.

ELECTION OF DIRECTOR

With the recommendation from the nomination committee of the Company, the Board proposes the appointment of Ms. YANG, Hoi Ti Heidi as an independent non-executive Director, subject to and with effect upon the approval by the Shareholders at the Annual General Meeting. The Board considers that the appointment of Ms. YANG, Hoi Ti Heidi, who is rich in knowledge and experience in such areas as global management, corporate advisory, investment banking and regulatory, will provide valuable insights on the strategic planning and development of the Company and add diversity and balanced skillsets to the Board, having due regard to the objective criteria in the Nomination Policy and the Board Diversity Policy of the Company. The Board is also satisfied with Ms. YANG, Hoi Ti Heidi's independence having regard to the independence criteria as set out in Rule 3.13 of the Listing Rules. Details of Ms. YANG, Hoi Ti Heidi are set out in Appendix I to this circular in accordance with the relevant requirements of the Listing Rules.

NOTICE OF ANNUAL GENERAL MEETING

Set out on pages 14 to 19 of this circular is the notice of the Annual General Meeting at which, inter alia, ordinary resolutions will be proposed to Shareholders to consider and approve the granting of the General Mandate to issue Shares, the Repurchase Mandate to repurchase Shares and the re-election and election of Directors.

FORM OF PROXY

A form of proxy is enclosed for use at the Annual General Meeting. Such form of proxy is also published on the websites of the Stock Exchange (www.hkexnews.hk) and the Company (www.3sbio.com). Whether or not you intend to attend the Annual General Meeting, you are requested to complete the form of proxy in accordance with the instructions printed thereon and return it to the Hong Kong share registrar of the Company, Computershare Hong Kong Investor Services Limited, at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong as soon as possible but in any event not less than 48 hours before the time appointed for holding the Annual General Meeting or any adjournment thereof. Completion and delivery of the form of proxy shall not preclude a Shareholder from attending and voting in person at the Annual General Meeting if they so wish and in such event the form of proxy shall be deemed to be revoked. **The Company strongly recommends you to closely monitor the development of the situation with the COVID-19 pandemic and to assess, based on the social distancing policies, the necessity for attending the Annual General Meeting in person.**

LETTER FROM THE BOARD

VOTING BY POLL

There is no Shareholder who has any material interest in the proposed resolutions regarding the General Mandate and Repurchase Mandate, therefore none of the Shareholders is required to abstain from voting on such resolutions.

Pursuant to Rule 13.39(4) of the Listing Rules and article 66(1) of the Articles of Association, any resolution put to the vote of the Shareholders at a general meeting shall be decided on a poll except where the chairman of the Annual General Meeting, 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. Accordingly, each of the resolutions set out in the notice of the Annual General Meeting will be taken by way of poll.

On a poll, every Shareholder present in person or by proxy or, in the case of a Shareholder being a corporation, by its duly authorized representative, shall have one vote for every fully paid Share of which he/she is the holder. A Shareholder entitled to more than one vote needs not use all his/her votes or cast all the votes he/she uses in the same way.

PRECAUTIONARY MEASURES FOR THE ANNUAL GENERAL MEETING

Taking into account of the recent development of the epidemic caused by the COVID-19 pandemic, the Company will implement the following prevention and control measures at the Annual General Meeting against the epidemic to protect the Shareholders from the risk of infection:

- (i) compulsory body temperature check will be conducted for every Shareholder or proxy at the entrance of the venue. Any person with a body temperature of over 37.3 degrees Celsius will not be permitted to access to the meeting venue;
- (ii) every Shareholder or proxy is required to wear surgical face mask throughout the meeting;
- (iii) no souvenirs will be provided; and
- (iv) no refreshments will be served.

RECOMMENDATION

The Directors consider that the proposed resolutions for the granting of the General Mandate to issue Shares, the Repurchase Mandate to repurchase Shares and the re-election and election of Directors are in the interests of the Group and the Shareholders as a whole. The Directors therefore recommend the Shareholders to vote in favor of all the resolutions to be proposed at the Annual General Meeting.

Yours faithfully
By order of the Board
3SBio Inc.
Dr. LOU Jing
Chairman

APPENDIX I DETAILS OF DIRECTORS PROPOSED FOR RE-ELECTION AND ELECTION

The following are the particulars of the Directors (as required by the Listing Rules) proposed to be re-elected at the Annual General Meeting.

As at the Latest Practicable Date, save as disclosed herein, none of the following Directors held (i) any other position with the Company or other members of the Group; (ii) any directorship in any other public companies with securities of which are listed on any securities market in Hong Kong or overseas in the last three years; and (iii) any other major appointments and professional qualifications.

As at the Latest Practicable Date, save as disclosed herein, none of the following Directors had any relationship with any other Director, senior management or substantial Shareholder of the Company, or any interest in Shares within the meaning of Part XV of the Securities and Futures Ordinance.

As at the Latest Practicable Date, save as disclosed herein, there was no other information relating to the following Directors which is required to be disclosed pursuant to Rule 13.51(2) of the Listing Rules. There is no other matter which needs to be brought to the attention of the Shareholders in respect of the re-election of Directors.

EXECUTIVE DIRECTOR

Dr. LOU Jing (婁競博士) (“**Dr. LOU**”), aged 58, was appointed as a Director on 5 September 2006 and was re-designated as an executive Director on 27 November 2014. He was appointed as the chairman of the Board on 1 April 2012. Dr. LOU is also the chief executive officer and president of the Company. He is responsible for the strategic development and planning, overall operational management and major decision making of the Group. He is a co-founder of the Group and joined Shenyang Sunshine Pharmaceutical Company Limited (瀋陽三生製藥有限責任公司) (“**Shenyang Sunshine**”) as a director of R&D in September 1995.

Dr. LOU also holds the following positions with other members of the Group:

- (i) director and chairman of the board of Collected Mind Limited (集思有限公司);
- (ii) director of Hongkong Sansheng Medical Limited (香港三生醫藥有限公司);
- (iii) director of Excel Partner Holdings Limited (特隆控股有限公司);
- (iv) director of Ample Harvest Investments Limited (溢豐投資有限公司);
- (v) director, chief executive officer, president and chairman of the board of Shenyang Sunshine;
- (vi) director and general manager of Liaoning Sunshine Bio-Pharmaceutical Company Limited (遼寧三生醫藥有限公司);
- (vii) director and chairman of the board of Taizhou Huan Sheng Investment Management Company Limited (泰州環晟投資管理有限公司);
- (viii) executive director of Shenzhen Baishitong Technology Development Company Limited (深圳市百士通科技開發有限公司);
- (ix) chairman of the board of Shenzhen Sciprogen Bio-pharmaceutical Co., Ltd. (深圳賽保爾生物藥業有限公司);

APPENDIX I DETAILS OF DIRECTORS PROPOSED FOR RE-ELECTION AND ELECTION

- (x) chairman of the board of Guangdong Sciprogen Bio-pharmaceutical Technology Co., Ltd. (廣東賽保爾生物醫藥技術有限公司);
- (xi) chairman of the board of Guangdong Sunshine Pharmaceutical Co., Ltd. (廣東三生製藥有限公司);
- (xii) director of Gains Prestige Limited (澤威有限公司);
- (xiii) director of Strategic International Group Limited;
- (xiv) director and chairman of the board of Sunshine Guojian; and
- (xv) director and chairman of the board of Shanghai Xingsheng Pharmaceutical Company Limited.

Dr. LOU has been highly active in pharmaceutical research and has made substantial contribution to the Group's R&D of pharmaceutical products. Dr. LOU was the leading scientist and principal investigator in the Group's successful development of EPIAO and TPIAO. He co-invented a "preparation process for recombinant human thrombopoietin" and a "method for improving the stability of polypeptides in human bodies and its application" in 2000 and 2001, respectively. He has published in a number of academic journals on microbiology and medicinal biotechnology. His research has been recognized with various awards. In 2006, he was awarded the "First Prize of Shenyang Science and Technology Progress Award" (瀋陽市科學技術進步一等獎) for his research on recombinant human thrombopoietin. In 2007, he was awarded the "Third Prize of Liaoning Province Scientific and Technological Achievements" (遼寧省科技成果轉化三等獎) for his contribution to the industrialization of production of recombinant human thrombopoietin. In 2017, he was awarded "Liaoning Province Outstanding Entrepreneur" and "Friendship Award of Liaoning Province". Dr. LOU obtained a Medical Doctor degree (M.D.) in clinical medicine from Shanghai Second Military Medical University in July 1985. He conducted post-doctoral research at the National Institutes of Health of the United States after obtaining a Ph.D. degree in molecular and cell biology from Fordham University in the United States in February 1994. He also obtained an Executive Master of Business Administration from China Europe International Business School (中歐國際工商學院) in September 2008.

As at the Latest Practicable Date, Dr. LOU had a service contract with the Company for a term of three years commencing from 11 June 2018 until 10 June 2021, which shall be automatically renewed for successive periods of three years (subject to retirement and re-election as and when required under the Articles of Association), until duly terminated. Under the terms of the service contract, Dr. LOU is entitled to a fixed director's fee payable per annum of US\$120,000. Such fee is determined by the Board with reference to market trends.

As at the Latest Practicable Date, (i) Dr. LOU was deemed to be interested in 527,609,063 (20.70%) Shares within the meaning of Part XV of the Securities and Futures Ordinance, of which 41,746,000 Shares and 8,428,510 Shares are under two unnamed trusts where Dr. LOU was a beneficiary; 476,774,553 Shares are under an unnamed discretionary trust whereby Dr. LOU was an enforcer and beneficiary; 660,000 share options were granted to a trust and held for the benefit of Dr. LOU pursuant to a share option scheme; 25,160,657 shares in Sunshine Guojian, an associated corporation of the Company, were allotted by Sunshine Guojian to Achieve Well International Limited, a company wholly-owned by Dr. LOU, under the employees share ownership plan for purposes of holding the awarded shares granted to Dr. LOU.

INDEPENDENT NON-EXECUTIVE DIRECTORS

Mr. PU Tianruo (濮天若) (“**Mr. PU**”), aged 53, was appointed as an independent non-executive Director on 23 May 2015, with such appointment taking effect on 1 June 2015. He is responsible for participating in decision-making and advising on issues relating to the Company’s significant events and corporate governance. Previously, he served as an independent Director and the audit committee chair of the Company from 1 September 2012 to 29 May 2013.

Mr. PU has substantial experience in accounting and finance. He has served as an independent non-executive director of several companies, including Autohome Inc. (a company listed on the NYSE with symbol ATHM) since December 2016, and Renren Inc. (a company listed on the NYSE with symbol RENN) since December 2016, Kaixin Auto (a company listed on the NASDAQ with symbol KXIN), One Connect Financial Technology (a company listed on the NYSE with symbol OCFT) since December 2019, and Luckin Coffee (a company listed on the NASDAQ with symbol LK). Mr. PU was previously the independent non-executive director of JMU Limited (a company listed on the NASDAQ with symbol JMU) and the chief financial officer of Zhaopin Ltd. (a company listed on the NYSE with symbol ZPIN). Mr. PU obtained a Bachelor’s degree in English from China Foreign Affairs University (外交學院) in July 1991, a Master’s degree in Accounting from the University of Illinois, College of Business Administration in May 1996 and a Master of Business Administration degree from Northwestern University Kellogg School of Management in June 2000.

As at the Latest Practicable Date, Mr. PU had entered into an appointment letter with the Company since 23 May 2015, which has been renewed and extended until, hereafter, the date of the second upcoming annual general meeting of the Company, which shall then be automatically renewed for further three years, unless otherwise terminated in accordance with the terms and conditions of the appointment letter (subject to re-election and retirement as and when required by the Articles of Association). Under the terms of the appointment letter, Mr. PU is entitled to a director’s fee of HK\$300,000 per annum as determined by the Board with reference to market trends.

APPENDIX I DETAILS OF DIRECTORS PROPOSED FOR RE-ELECTION AND ELECTION

Ms. YANG, Hoi Ti Heidi (楊凱蒂), aged 51, is proposed to be appointed as an independent non-executive Director at the Annual General Meeting. Subject to the passing of the relevant resolution by the Shareholders at the Annual General Meeting, Ms. YANG shall become an independent non-executive Director of the Company with effect from the date of passing of the relevant resolution at the Annual General Meeting.

Ms. YANG has been the Global Managing Director, Asian and World Art at Christie's Hong Kong Limited since January 2021 and has served as a member of the Listing Committee of the Stock Exchange since July 2019. Prior to joining Christie's Hong Kong Limited, Ms. YANG had over 25 years of experience in the financial sector and had held the positions of Managing Director and Head of Corporate Advisory Group, Asia Pacific at Deutsche Bank Asia Limited, Managing Director and Head of Corporate Finance Group at UBS Investment Bank Asia, and Analyst, Associate and Vice President at Morgan Stanley Asia Limited.

Ms. YANG holds a Bachelor of Arts degree majoring in economics from Columbia University, New York.

Ms. YANG has not held any directorships in any listed company in Hong Kong or overseas in the last three years and does not hold any position with the Company and its subsidiaries. She does not have any relationship with any Directors, senior management or substantial or controlling Shareholders.

Ms. YANG has entered into an appointment letter with the Company for a term of three years commencing from the date of the Annual General Meeting, which shall then be automatically renewed for a further three years, unless otherwise terminated in accordance with the terms and conditions of the appointment letter (subject to re-election and retirement as and when required by the Articles of Association). The terms of the appointment letter will become effective upon the passing of the relevant resolution by the Shareholders at the Annual General Meeting. Ms. YANG will be entitled to a director's fee of HK\$300,000 per annum as in the case of the other independent non-executive Directors.

As at the Latest Practicable Date, Ms. YANG was not interested or deemed to be interested in any Shares or underlying Shares of the Company or its associated corporations pursuant to Part XV of the SFO.

Save as disclosed herein, there are no other matters relating to the appointment of Ms. YANG that need to be brought to the attention of the Shareholders nor is there any information to be disclosed pursuant to the requirements of Rule 13.51(2)(h) to (v) of the Listing Rules.

The following is an explanatory statement required to be sent to the Shareholders under the Listing Rules in connection with the proposed Repurchase Mandate.

SHARE CAPITAL

As at the Latest Practicable Date, the number of issued Shares was 2,548,600,999 Shares of nominal value of US\$0.00001 each, which have been fully paid. Subject to the passing of the resolution granting the Repurchase Mandate and on the basis that no further Shares are issued or repurchased before the Annual General Meeting, the Company will be allowed to repurchase a maximum of 254,860,099 Shares which represent 10% of the issued Shares during the period ending on the earlier of (i) the conclusion of the next annual general meeting of the Company following the Annual General Meeting; or (ii) the expiry of the period within which the next annual general meeting of the Company following the Annual General Meeting is required by any applicable laws or the Articles of Association to be held; or (iii) the passing of an ordinary resolution by Shareholders in general meeting of the Company revoking or varying such mandate.

REASONS FOR AND FUNDING OF REPURCHASES

The Directors believe that it is in the best interests of the Company and the Shareholders to have a general authority from the Shareholders to enable the Company to repurchase its Shares in the market. Such repurchases may, depending on market conditions and funding arrangements at the time, lead to an enhancement of the Company's net asset value and/or its earnings per Share and will only be made when the Directors believe that such repurchases will benefit the Company and the Shareholders as a whole.

Repurchase of the Shares must be funded out of funds legally available for such purpose in accordance with the Articles of Association and the applicable laws of the Cayman Islands. The Directors may not repurchase the Shares on the Stock Exchange for a consideration other than cash or for settlement otherwise than in accordance with the trading rules of the Stock Exchange. Subject to the foregoing, the Directors may make repurchases with profits of the Company or out of a new issuance of shares made for the purpose of the repurchase or, if authorized by the Articles of Association and subject to the Companies Law, out of capital and, in the case of any premium payable on the repurchase, out of profits of the Company or from sums standing to the credit of the share premium account of the Company or, if authorized by the Articles of Association and subject to the Companies Law, out of capital.

The Directors have no present intention to repurchase any Shares and they would only exercise the power to repurchase in circumstances where they consider that the repurchase would be in the best interests of the Company. The Directors believe that if the Repurchase Mandate is exercised in full, it may have a material adverse impact on the working capital or gearing position of the Company, as compared with the positions disclosed in the audited consolidated financial statements of the Company as at 31 December 2020, being the date to which the latest published audited consolidated financial statements of the Company were made up. The Directors do not propose to exercise the Repurchase Mandate to such an extent as would, in the circumstances, have a material adverse effect on the working capital requirements of the Company or its gearing levels which, in the opinion of the Directors, are from time to time appropriate for the Company.

GENERAL

None of the Directors nor, to the best of their knowledge, having made all reasonable enquiries, their respective close associates (as defined in the Listing Rules), have any present intention, if the Repurchase Mandate is approved by the Shareholders, to sell any Shares to the Company.

The Directors have undertaken to the Stock Exchange that, so far as the same may be applicable, they will exercise the Repurchase Mandate in accordance with the Listing Rules, the Articles of Association and the applicable laws of the Cayman Islands.

No core connected person (as defined in the Listing Rules) has notified the Company that he or she has a present intention to sell any Shares to the Company, or has undertaken not to do so, if the Repurchase Mandate is approved by the Shareholders.

TAKEOVERS CODE

If as a result of a repurchase of Shares pursuant to the Repurchase 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. 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.

As at the Latest Practicable Date, to the best knowledge and belief of the Directors: (a) the Single Largest Shareholder's Group was deemed to be interested in 697,342,944 Shares, representing approximately 27.36% in the aggregate number of issued Shares; and (b) CS Sunshine was interested in 472,212,360 Shares, representing approximately 18.53% in the aggregate number of issued Shares.

In the event that the Directors should exercise the Repurchase Mandate in full, the shareholdings of the Single Largest Shareholder's Group and CS Sunshine in the Company will increase to approximately 30.40% and 20.59%, respectively of the issued Shares. To the best knowledge and belief of the Directors, such increase will give rise to an obligation to make a mandatory offer under Rule 26 of the Takeovers Code on the part of the Single Largest Shareholder's Group. The Directors have no present intention to repurchase the Shares to the extent that it will trigger any obligation under the Takeovers Code for the Single Largest Shareholder's Group to make a mandatory offer. The Directors are not aware of any other consequences that may arise under the Takeovers Code as a result of any share repurchase made by the Company of its Shares.

The Listing Rules prohibit a company from making any repurchase on the Stock Exchange if the result of the repurchase would be that less than 25% (or such other prescribed minimum percentage as determined by the Stock Exchange) of the total number of issued shares of the Company 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.

REPURCHASES MADE BY THE COMPANY

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

SHARE PRICES

The highest and lowest prices at which the Shares have traded on the Stock Exchange during each of the previous twelve months were as follows:

Month	Highest prices HK\$	Lowest prices HK\$
2020		
May	10.66	7.56
June	11.18	9.06
July	14.50	9.35
August	10.24	8.82
September	9.50	8.22
October	8.90	7.01
November	7.69	7.02
December	7.84	6.73
2021		
January	8.12	6.73
February	9.33	7.19
March	8.29	6.73
April	7.66	6.80
May (up to the Latest Practicable Date)	7.75	6.78

NOTICE OF ANNUAL GENERAL MEETING



三生制药
3SBIO INC.

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1530)

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT the annual general meeting (the “**Annual General Meeting**”) of 3SBio Inc. (the “**Company**”) will be held at No. 3 A1, Road 10, Shenyang Economy and Technology Development Zone, Shenyang, People’s Republic of China on 29 June 2021 at 10 a.m. for the following purposes:

1. To receive and adopt the audited financial statements of the Company for the year ended 31 December 2020 and the reports of the directors and auditors thereon.
2. (A) To re-elect Dr. LOU Jing as an executive director (“**Director**”) of the Company;
(B) To re-elect Mr. PU Tianruo as an independent non-executive Director of the Company;
(C) To elect Ms. Yang, Hoi Ti Heidi as an independent non-executive Director of the Company;
(D) To authorize the board of Directors (the “**Board**”) to fix the remuneration of the Directors.
3. To re-appoint Ernst & Young as auditors of the Company to hold office until the conclusion of the next annual general meeting of the Company and to authorize the Board to fix their remuneration for the year ending 31 December 2021.
4. To consider and, if thought fit, pass with or without modification the following resolutions as ordinary resolutions:
 - (A) “**THAT:**
 - (i) Subject to paragraph (iii) below, the exercise by the Directors during the Relevant Period (as defined hereinafter) of all the powers of the Company to allot, issue and/

NOTICE OF ANNUAL GENERAL MEETING

or otherwise deal with additional shares of the Company or securities convertible into shares, or options, warrants or similar rights to subscribe for shares or such convertible securities of the Company and to make or grant offers, agreements and/or options (including bonds, warrants and debentures convertible into shares of the Company) which may require the exercise of such powers, be and is hereby generally and unconditionally approved;

- (ii) the approval in paragraph (i) above shall be in addition to any other authorisation given to the Directors and shall authorise the Directors during the Relevant Period (as defined hereinafter) to make or grant offers, agreements and/or options which may require the exercise of such power after the end of the Relevant Period;
- (iii) the aggregate number of shares allotted or agreed conditionally or unconditionally to be allotted (whether pursuant to options or otherwise) by the Directors during the Relevant Period (as defined hereinafter) pursuant to paragraph (i) above otherwise than pursuant to:
 - (1) any Rights Issue (as defined hereinafter);
 - (2) the grant or exercise of any option under any share option scheme of the Company (if applicable) or any other option, scheme or similar arrangements for the time being adopted for the grant or issue to the Directors, officers and/or employees of the Company and/or any of its subsidiaries and/or other eligible participants specified thereunder of options to subscribe for Shares or rights to acquire Shares;
 - (3) any scrip dividend or similar arrangement providing for the allotment and issue of Shares in lieu of the whole or part of a dividend on Shares in accordance with the articles of association of the Company; or
 - (4) any issue of Shares upon the exercise of rights of subscription or conversion under the terms of any existing convertible notes issued by the Company or any existing securities of the Company which carry rights to subscribe for or are convertible into Shares, shall not exceed the aggregate of:
 - (a) 20% of the number of issued shares of the Company as at the date of passing this resolution; and
 - (b) (if the Board is so authorised by resolution numbered 4(C)) the aggregate number of shares of the Company repurchased by the Company subsequent to the passing of resolution numbered 4(B) (up to a maximum equivalent to 10% of the number of issued shares of the Company as at the date of passing resolution numbered 4(B)),

and the approval shall be limited accordingly; and

NOTICE OF ANNUAL GENERAL MEETING

(iv) for the purpose of this resolution:

- (a) “**Relevant Period**” means the period from the passing of this resolution until whichever is the earliest of:
- (1) the conclusion of the next annual general meeting of the Company;
 - (2) the expiry of the period within which the next annual general meeting of the Company is required by any applicable laws or the articles of association of the Company to be held; or
 - (3) the passing of an ordinary resolution by the shareholders of the Company in general meeting revoking or varying the authority given to the Directors by this resolution; and
- (b) “**Rights Issue**” means an offer of shares of the Company or an issue of warrants, options or other securities giving rights to subscribe for shares of the Company, open for a period fixed by the Directors to holders of shares of the Company on the register of members on a fixed record date in proportion to their then holdings of such shares of the Company (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, or the requirements of, or the expense or delay which may be involved in determining the exercise or extent of any restrictions or obligations under the laws of, or the requirements of, any jurisdiction applicable to the Company, any recognised regulatory body or any stock exchange applicable to the Company).”

(B) “**THAT:**

- (i) subject to paragraph (ii) of this resolution, the exercise by the Directors during the Relevant Period (as defined hereinafter) of all powers of the Company to repurchase shares of the Company on The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) or on any other stock exchange on which the shares of the Company may be listed and which is recognized for this purpose by the Securities and Futures Commission and the Stock Exchange under the Code on Share Buy-backs and, subject to and in accordance with all applicable laws and the Rules Governing the Listing of Securities on the Stock Exchange (the “**Listing Rules**”), be and is hereby generally and unconditionally approved;
- (ii) the aggregate number of shares to be repurchased pursuant to the approval in paragraph (i) of this resolution shall not exceed 10% of the number of issued shares of the Company as at the date of passing of this resolution, and the said approval shall be limited accordingly;
- (iii) subject to the passing of each of the paragraphs (i) and (ii) of this resolution, any prior approvals of the kind referred to in paragraphs (i) and (ii) of this resolution which had been granted to the Directors and which are still in effect be and are hereby revoked; and

NOTICE OF ANNUAL GENERAL MEETING

(iv) for the purpose of this resolution:

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

- (a) the conclusion of the next annual general meeting of the Company;
 - (b) the expiry of the period within which the next general annual meeting of the Company is required by any applicable laws or the articles of association of the Company to be held; or
 - (c) the passing of an ordinary resolution by the shareholders of the Company in general meeting revoking or varying the authority given to the Directors by this resolution.”
- (C) “**THAT** conditional upon the resolutions numbered 4(A) and 4(B) set out in this notice being passed, the general mandate granted to the Directors to exercise the powers of the Company to allot, issue and/or otherwise deal with new shares of the Company and to make or grant offers, agreements and options which might require the exercise of such powers pursuant to the resolution numbered 4(A) set out in this notice be and is hereby extended by the addition to the number of the issued shares of the Company which may be allotted or agreed conditional or unconditionally to be allotted by the Directors pursuant to such general mandate of an amount representing the number of the issued shares of the Company repurchased by the Company under the authority granted pursuant to resolution numbered 4(B) set out in this notice, provided that such amount shall represent up to 10% of the number of issued shares of the Company as at the date of passing of the said resolutions.”

By order of the Board
3SBio Inc.
Dr. LOU Jing
Chairman

Shenyang, the People’s Republic of China
28 May 2021

Registered office (in the Cayman Islands):
Cricket Square, Hutchins Drive
PO Box 2681
Grand Cayman, KY1-1111
Cayman Islands

Principal place of business in Hong Kong:
31/F, Tower Two, Times Square
1 Matheson Street
Causeway Bay
Hong Kong

Head office:
No. 3 A1, Road 10
Shenyang Economy and Technology
Development Zone
Shenyang
People’s Republic of China

NOTICE OF ANNUAL GENERAL MEETING

Notes:

- (i) A shareholder entitled to attend and vote at the above meeting is entitled to appoint one or more proxies to attend, speak and vote in his/her stead. The proxy does not need to be a shareholder of the Company. **The Company strongly recommends you to closely monitor the development of the situation with the COVID-19 pandemic and to assess, based on the social distancing policies, the necessity for attending the above meeting in person, and the board of directors of the Company respectfully requests that, for the same reason, the shareholders to appoint the chairman of the above meeting as their proxy rather than a third party to attend and vote on their behalf at the above meeting (or any adjournment thereof).**
- (ii) Where there are joint registered holders of any shares, any one of such persons may vote at the above meeting (or at any adjournment of it), either personally or by proxy, in respect of such shares as if he/she were solely entitled thereto but the vote of the senior holder who tenders a vote, whether in person or by proxy, will be accepted to the exclusion of the vote(s) of the other joint holders and, for this purpose, seniority shall be determined by the order in which the names stand in the register of members of the Company in respect of the relevant joint holding.
- (iii) In order to be valid, the completed form of proxy, must be deposited at the Hong Kong share registrar of the Company, Computershare Hong Kong Investor Services Limited, at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong 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 (such certification to be made by either a notary public or a solicitor qualified to practice in Hong Kong), at least 48 hours before the time appointed for holding the above meeting or any adjournment thereof (as the case may be). The completion and return of the form of proxy shall not preclude shareholders of the Company from attending and voting in person at the above meeting (or any adjourned meeting thereof) if they so wish.
- (iv) The register of members of the Company will be closed from 24 June 2021 to 29 June 2021, both days inclusive, in order to determine the eligibility of shareholders to attend the above meeting, during which period no share transfers will be registered. To be eligible to attend the above meeting, all properly completed transfer forms accompanied by the relevant share certificates must be lodged for registration with the Hong Kong share registrar of the Company, Computershare Hong Kong Investor Services Limited, at Shops 1712–1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong not later than 4:30 p.m. on 23 June 2021.
- (v) In respect of resolutions numbered 2(A) to 2(B) above, Dr. LOU Jing and Mr. PU Tianruo being eligible, have offered themselves for re-election at the above meeting. In respect of the resolution numbered 2(C), Ms. Yang, Hoi Ti Heidi will stand for election as an independent non-executive Director. Details of the above Directors who are subject to re-election and election at the Annual General Meeting are set out in Appendix I to the circular dated 28 May 2021.
- (vi) In respect of the resolution numbered 4(A) above, the Directors wish to state that they have no immediate plans to issue any new shares of the Company referred therein. Approval is being sought from the shareholders of the Company as a general mandate for the purposes of the Listing Rules.
- (vii) In respect of resolution numbered 4(B) above, the Directors wish to state that they will only exercise the powers conferred by the general mandate to repurchase shares of the Company in circumstances where they consider that the repurchase would be in the best interests of the Company. The explanatory statement containing the information necessary to enable shareholders to make an informed decision on whether to vote for or against the resolution to approve the repurchase by the Company of its own shares, as required by the Listing Rules, is set out in Appendix II to the circular dated 28 May 2021.
- (viii) Resolution numbered 4(C) will be proposed to the shareholders of the Company for approval provided that resolutions numbered 4(A) and 4(B) are passed by the shareholders of the Company.

NOTICE OF ANNUAL GENERAL MEETING

- (ix) Pursuant to Rule 13.39(4) of the Listing Rules and article 66(1) of the articles of association of the Company, voting for all the resolutions set out in this notice will be taken by poll at the above meeting.
- (x) Taking into account of the recent development of the epidemic caused by the novel coronavirus pneumonia (COVID-19) pandemic, the Company will implement the following prevention and control measures at the above meeting against the epidemic to protect the shareholders of the Company from the risk of infection:
 - (i) compulsory body temperature check will be conducted for every shareholder or proxy at the entrance of the venue. Any person with a body temperature of over 37.3 degrees Celsius will not be permitted to access to the meeting venue;
 - (ii) every shareholder or proxy is required to wear surgical face mask throughout the meeting;
 - (iii) no souvenirs will be provided; and
 - (iv) no refreshments will be served.