
THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

If you are in doubt about this circular, you should consult your stockbroker, other registered dealer in securities, bank manager, solicitor, professional accountant or other professional adviser.

If you have sold or transferred all your shares in **Suzhou Basecare Medical Corporation Limited**, you should at once hand this circular together with the 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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Suzhou Basecare Medical Corporation Limited

蘇州貝康醫療股份有限公司

(A joint stock company incorporated in the People's Republic of China with limited liability)

(Stock Code: 2170)

PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION; PROPOSED CHANGE IN USE OF PROCEEDS AND NOTICE OF 2021 SECOND EXTRAORDINARY GENERAL MEETING

Capitalized terms used in this cover will have the same meanings as those defined in the section headed “Definitions” in this circular.

A letter from the Board is set out on pages 3 to 10 of this circular.

A notice convening the EGM to be held at 9:00 a.m. on Saturday, December 18, 2021 at Unit 101, Building A3, BioBay, No. 218 Xinghu Street, Suzhou Industrial Park, Suzhou, Jiangsu Province, PRC is set out in this circular. A form of proxy for use at the EGM is also enclosed. Such form of proxy is also published on the websites of the Stock Exchange (<http://www.hkexnews.hk>) and the Company (<http://www.basecare.cn>).

Shareholders who intend to appoint a proxy to attend the EGM shall complete and return the enclosed form of proxy in accordance with the instructions printed thereon not less than 24 hours before the time fixed for holding the EGM (i.e. not later than 9:00 a.m. on Friday, December 17, 2021) or any adjournment thereof (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 EGM if they so wish.

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

November 16, 2021

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DEFINITIONS

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

“Acquisition”	the Company’s acquisition of 51% equity interest in Zhejiang Cellpro Biotech Co., Ltd. (浙江星博生物科技股份有限公司), a joint stock company established in the PRC on June 1, 2012
“Articles of Association”	the Articles of Association of the Company, as amended, revised or supplemented from time to time
“Board”	the board of directors of the Company
“Company”	Suzhou Basecare Medical Corporation Limited (蘇州貝康醫療股份有限公司), previously known as Jiangsu Double Helix Biology Science and Technology Co., Ltd. (江蘇雙螺旋生物科技股份有限公司), Saiye Health Research Center (Taicang) Co., Ltd. (賽業健康研究中心(太倉)有限公司) or Saiye (Suzhou) Biological Information Technology Co., Ltd. (賽業(蘇州)生物信息技術有限公司), a company incorporated in the PRC with limited liability on December 14, 2010 and converted into a joint stock company with limited liability on August 27, 2020
“Director(s)”	the director(s) of the Company
“Domestic Share(s)”	ordinary shares in the share capital of our Company, with a nominal value of RMB1.00 each, which are subscribed for and paid up in Renminbi by domestic investors
“EGM”	the 2021 second extraordinary general meeting of the Company to be held at 9:00 a.m. on Saturday, December 18, 2021 at Unit 101, Building A3, BioBay, No. 218 Xinghu Street, Suzhou Industrial Park, Suzhou, Jiangsu Province, PRC to consider and, if thought fit, approve, among other matters, the relevant matters referred to in this circular

DEFINITIONS

“Global Offering”	the offer of H shares for subscription as described in the Prospectus
“H Share(s)”	overseas listed foreign share(s) in the ordinary share capital of the Company with a nominal value of RMB1.00 each, which are subscribed for and traded in Hong Kong Dollars and listed on the Stock Exchange
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Latest Practicable Date”	November 11, 2021, being the latest practicable date prior to the printing of this circular for the purpose of ascertaining certain information contained herein
“Listing Rules”	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, as amended from time to time
“Net Proceeds”	the net proceeds obtained by the Company in relation to the Global Offering
“Prospectus”	the prospectus issued by the Company dated January 27, 2021
“RMB” or “Renminbi”	Renminbi, the lawful currency of the PRC
“Share(s)”	shares in the share capital of our Company, with a nominal value of RMB1.00 each
“Shareholder(s)”	holder(s) of the Shares
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Unlisted Foreign Share(s)”	unlisted ordinary Share(s) issued by the Company, with a nominal value of RMB1.00 each, which are subscribed for in a currency other than RMB

LETTER FROM THE BOARD



Suzhou Basecare Medical Corporation Limited

蘇州貝康醫療股份有限公司

(A joint stock company incorporated in the People's Republic of China with limited liability)

(Stock Code: 2170)

Executive Directors:

Dr. LIANG Bo (*Chairman and general manager*)

Mr. KONG Lingyin

Mr. RUI Maoshe

Non-Executive Directors:

Mr. XU Wenbo

Mr. ZHANG Jiecheng

Mr. WANG Weipeng

Independent Non-executive Directors:

Dr. KANG Xixiong

Dr. HUANG Taosheng

Mr. CHAU Kwok Keung

*Headquarters and Registered Office
in the PRC:*

Unit 101, Building A3

BioBay, No. 218 Xinghu Street

Suzhou Industrial Park, Suzhou

Jiangsu Province, PRC

*Principal Place of Business
in Hong Kong:*

40th Floor

Dah Sing Financial Centre

No. 248 Queen's Road East

Wanchai, Hong Kong

November 16, 2021

To the Shareholders

Dear Sir/Madam,

**PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION;
PROPOSED CHANGE IN USE OF PROCEEDS
AND
NOTICE OF 2021 SECOND EXTRAORDINARY GENERAL MEETING**

I. INTRODUCTION

Reference is made to the announcements of the Company both dated November 3, 2021 in relation to, among others, proposed amendments to the Articles of Association, the Acquisition and proposed change in use of proceeds from the Global Offering. The purpose of this circular is to provide you with the notice of the EGM and the information reasonably necessary to enable you to make an informed decision on whether to vote for or against the proposed resolutions at the EGM.

LETTER FROM THE BOARD

II. SPECIAL RESOLUTION — PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION

In accordance with the Official Reply of the State Council regarding the Adjustments of the Application of Provisions to Matters Including the Notice Period for Convention of Shareholders' Meetings by Overseas Listed Companies (《國務院關於調整適用在境外上市公司召開股東大會通知期限等事項規定的批覆》) (Guo Han [2019] No. 97) and relevant provisions of the relevant laws, administrative regulations and listing rules of the place where the Company is listed, the Company intends to amend the articles of association of the Company (the “**Articles of Association**”) in relation to the registration of changes in the register of shareholders, the details of which are set out below:

No.	Article Before Amendments	Article After Amendments
1	Article 43 Registration of change in the register of H shares shareholders due to shares transfer shall not be allowed within 30 days prior to the date of a general meeting or within 5 days before the base date set by the Company for the purpose of distribution of dividends. If the securities regulators of the place where shares of the Company are listed provide otherwise, such provisions shall prevail.	Article 43 <u>If there are provisions in the laws, regulations, departmental rules, regulatory documents and the securities regulatory authority where the Company's shares are listed regarding the period of suspension of share transfer registration before the shareholders' meeting or the reference date set by the Company for the purpose of distribution of dividends, the provisions shall prevail.</u>

LETTER FROM THE BOARD

No.	Article Before Amendments	Article After Amendments
2	Article 122 Unless otherwise required by the Articles of Association, the notice of the shareholders' general meeting shall be served on the shareholders (whether entitled to vote at the general meeting) by special appointed person or prepaid mail. The recipient address in the register of shareholders shall prevail. For the holders of domestic shares, the notice of the shareholders' general meeting may be issued in the form of public notice. The public notice in the preceding paragraph shall be published in one or more newspapers designated by the security regulatory authority of the State Council between 20 to 25 business days before the date of the general meeting. After the publication of such notice, the holders of domestic shares shall be deemed to have received the notice of the relevant shareholders' general meeting. The notice of the shareholders' general meeting to holders of foreign shares listed overseas shall be published on the websites stipulated by the Hong Kong Stock Exchange and our website. After the publication of such notice, the holders of foreign shares listed overseas shall be deemed to have received the notice of the relevant shareholders' general meeting. If the regulatory rules of the place where shares of the Company are listed provide otherwise, such provisions shall prevail.	Article 122 Unless otherwise required by the Articles of Association, the notice of the shareholders' general meeting shall be served on the shareholders (whether entitled to vote at the general meeting) by special appointed person or prepaid mail. The recipient address in the register of shareholders shall prevail. For the holders of domestic shares, the notice of the shareholders' general meeting may be issued in the form of public notice. The public notice in the preceding paragraph shall be published in one or more newspapers designated by the security regulatory authority of the State Council <u>subject to the laws, regulations and the listing rules of the place where the Company is listed and the provisions of these Articles of Association.</u> After the publication of such notice, the holders of domestic shares shall be deemed to have received the notice of the relevant shareholders' general meeting. The notice of the shareholders' general meeting to holders of foreign shares listed overseas shall be published on the websites stipulated by the Hong Kong Stock Exchange and our website. After the publication of such notice, the holders of foreign shares listed overseas shall be deemed to have received the notice of the relevant shareholders' general meeting.

LETTER FROM THE BOARD

Save for the above amendments to the Articles of Association, other provisions of the Articles of Association remain unchanged.

A special resolution will be proposed at the EGM to approve, among other things, the above proposal in relation to the proposed amendments to the Articles of Association. The amended Articles of Association shall become effective on the date of passing the relevant resolution at the EGM. Prior to the passing of the relevant resolution at the EGM, the prevailing Articles of Association shall remain valid.

III. ORDINARY RESOLUTION — PROPOSED CHANGE IN USE OF PROCEEDS

The Company successfully listed its H shares on the Main Board of the Stock Exchange on February 8, 2021 (the “**Listing**”) and obtained Net Proceeds of HK\$1,898.7 million from the Global Offering in association with the Listing. As disclosed in the Prospectus and the 2021 Interim Report, the Group planned to use the Net Proceeds for the purposes of (i) core product; (ii) clinical trial, registration filing and commercialization of PGT-M kit; (iii) development, clinical trials and registration filings of PGT-SR kit, CNV kit and WES kit; (iv) improving our research and development capabilities and enhancing technologies of the Company; and (v) working capital and general corporate purposes.

As disclosed in the Prospectus, the Group originally planned to use approximately 10% of the Net Proceeds for improving research and development capabilities and enhancing technologies of the Company including (i) introducing and acquiring new technologies in businesses upstream and downstream of genetic testing, to expand our product portfolio; (ii) recruiting talent in genetic testing, particularly senior R&D personnel with a high level of influence in the industry and with extensive international R&D and product development experience; (iii) funding our collaborations with academic and research institutions on joint research projects. Having considered the reasons as stated in above paragraphs under “Reasons for and Benefits of the Acquisition”, and to capture acquisition opportunities of the Acquisition, which may complement the Group’s coverage in assisted reproduction, the Group intends to expand the usage scope of such portion of the Net Proceeds to improving research and development capabilities and enhancing technologies of the Company including (i) introducing and acquiring new technologies in businesses upstream and downstream of genetic testing *and expanding* our product portfolio *through investments, acquisition, in-licensing or other collaboration arrangements*; (ii) recruiting talent in genetic testing, particularly senior R&D personnel with a high level of influence in the industry and with extensive international R&D and product development experience; (iii) funding our collaborations with academic and research institutions on joint research projects. On November 3, 2021, the Board has approved the Acquisition and the change in use of the Net Proceeds as stated above. Such change in use of the Net Proceeds from the Global Offering is subject to the approval of the Shareholders at the EGM.

LETTER FROM THE BOARD

The table below sets out the details of the intended use of the Net Proceeds, the utilized amount of the Net Proceeds as of the date of this circular, the unutilized amount of the Net Proceeds as of the date of this circular, and the balance of the unutilized Net Proceeds:

Original use of the Net Proceeds	Changed use of the Net Proceeds	Utilized amount of the Net Proceeds as of the date of this circular <i>HK\$ in million</i>	Unutilized amount of the Net Proceeds as of the date of this circular <i>HK\$ in million</i>	The balance of the unutilized Net Proceeds after the Acquisition <i>HK\$ in million</i>
1. Core Product	Same as original	16.21	553.41	553.41
2. Clinical trial, registration filing and commercialization of the PGT-M kit	Same as original	4.54	375.20	375.20
3. Development, clinical trials and registration filings of PGT-SR kit, CNV kit and WES kit	Same as original	22.51	547.10	547.10
4. Improving research and development capabilities and enhancing technologies of the Company	Same as original	11.19	178.68	93.68
(1) Introducing and acquiring new technologies in businesses upstream and downstream of genetic testing, to expand our product portfolio	Introducing and acquiring new technologies in businesses upstream and downstream of genetic testing <i>and expanding</i> our product portfolio <i>through investments, acquisition, in-licensing or other collaboration arrangements</i>			

LETTER FROM THE BOARD

Original use of the Net Proceeds	Changed use of the Net Proceeds	Utilized amount of the Net Proceeds as of the date of this circular <i>HK\$ in million</i>	Unutilized amount of the Net Proceeds as of the date of this circular <i>HK\$ in million</i>	The balance of the unutilized Net Proceeds after the Acquisition <i>HK\$ in million</i>
(2) Recruiting talent in genetic testing, particularly senior R&D personnel with a high level of influence in the industry and with extensive international R&D and product development experience	Same as original			
(3) Funding our collaborations with academic and research institutions on joint research projects	Same as original			
5. Working capital and general corporate purposes	Same as original	124.66	65.20	65.20

The Board has considered that the development direction of the Group is still in line with the disclosures in the Prospectus in spite of the change in use of the unutilized Net Proceeds as stated above. The Board is not aware that there are material changes in the nature of the businesses of the Group. The Board is of the view that the above change in the use of the Net Proceeds is fair and reasonable as this would allow the Group to deploy its financial resources more effectively to enhance the research and development capacity and pipeline of the Group, would not have any material adverse effect on the existing business and operations of the Group, and is therefore in the best interests of the Group and the shareholders as a whole.

The Board will constantly evaluate the Group's business objective and may change or modify plans against the changing market conditions to ascertain the business growth of the Group. The Board will also take a cautious approach continually when considering using the Net Proceeds, and closely monitor the changes of the market conditions from time to time.

An ordinary resolution will be proposed at the EGM to approve, among other things, the above proposal in relation to the proposed change in use of proceeds from the Global Offering.

LETTER FROM THE BOARD

IV. THE EGM

The EGM will be held at 9:00 a.m. on Saturday, December 18, 2021 at Unit 101, Building A3, BioBay, No. 218 Xinghu Street, Suzhou Industrial Park, Suzhou, Jiangsu Province, PRC. Notice convening the EGM is set out on pages 11 to 12 of this circular and published on the websites of the Stock Exchange (<http://www.hkexnews.hk>) and of the Company (<http://www.basecare.cn>).

V. CLOSURE OF REGISTER OF MEMBERS OF H SHARES

The register of members of H Shares will be closed from Thursday, November 18, 2021 to Saturday, December 18, 2021, both days inclusive, during which period no transfer of H Shares will be registered, in order to determine the holders of the H Shares of the Company who are entitled to attend and vote at the forthcoming EGM to be held on Saturday, December 18, 2021.

To be eligible to attend and vote at the EGM, all properly completed transfer documents accompanied by the relevant share certificates must be lodged with the Company's H Share Registrar, Computershare Hong Kong Investor Services Limited at Shops 1712–1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong no later than 4:30 p.m. on Wednesday, November 17, 2021 for registration.

VI. PROXY ARRANGEMENT

The form of proxy of the EGM is enclosed and published on the websites of the Stock Exchange and the Company.

If you intend to appoint a proxy to attend the EGM, you are required to complete and return the accompanying form of proxy in accordance with the instructions printed thereon. For holders of H Shares, the form of proxy should be returned to the Company's H Share Registrar, Computershare Hong Kong Investor Services Limited, at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong; for holders of Domestic Shares or Unlisted Foreign Shares, the form of proxy should be returned to the Company's headquarters and registered office in the PRC by personal delivery or by post, not less than 24 hours before the time fixed for holding the EGM (i.e. not later than 9:00 a.m. on Friday, December 17, 2021) or any adjourned meeting thereof. Completion and return of the form of proxy will not preclude you from attending and voting in person at the EGM or at any other adjourned meeting should you so wish.

LETTER FROM THE BOARD

VII. VOTING BY POLL

Any vote of Shareholders at the EGM must be taken by poll except where the chairman of the EGM, in good faith, decides to allow a resolution which relates purely to a procedural or administrative matter to be voted on by a show of hands. The Company shall publish the poll results announcement in the manner prescribed under Rule 13.39(5) of the Listing Rules. Accordingly, the chairman of the EGM will exercise his power under the Articles of Association to demand a poll in relation to all the proposed resolutions at the EGM.

To the best of the Directors' knowledge, information and belief, none of the Shareholders are required to abstain from voting at the EGM.

VIII. RESPONSIBILITY STATEMENT

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

IX. RECOMMENDATION

The Board (including the independent non-executive Directors) is of the view that the resolutions to be proposed at, among others, the EGM is in the interests of the Company and the Shareholders as a whole. Accordingly, the Board recommends the Shareholders to vote in favor of, among others, the resolutions to be proposed at the EGM.

By order of the Board

Suzhou Basecare Medical Corporation Limited

Dr. Liang Bo

Chairman and General Manager

NOTICE OF EGM



Suzhou Basecare Medical Corporation Limited

蘇州貝康醫療股份有限公司

(A joint stock company incorporated in the People's Republic of China with limited liability)

(Stock Code: 2170)

NOTICE OF 2021 SECOND EXTRAORDINARY GENERAL MEETING

NOTICE IS HEREBY GIVEN that the 2021 second extraordinary general meeting (the “EGM”) of Suzhou Basecare Medical Corporation Limited (the “Company”) will be held at 9:00 a.m. on Saturday, December 18, 2021 at Unit 101, Building A3, BioBay, No. 218 Xinghu Street, Suzhou Industrial Park, Suzhou, Jiangsu Province, PRC. to consider and, if thought fit, pass the following resolutions by the Shareholders.

SPECIAL RESOLUTION

1. To consider and approve the proposed amendments to the Articles of Association.

ORDINARY RESOLUTION

2. To consider and approve the proposed change in use of proceeds from the Global Offering.

Details of the above resolutions are set out in the circular of the Company dated November 16, 2021 in relation to the EGM. Unless otherwise indicated, capitalized terms used in this notice shall have the same meanings as those defined in the circular.

By order of the Board

Suzhou Basecare Medical Corporation Limited

Dr. Liang Bo

Chairman and General Manager

Hong Kong, November 16, 2021

Notes:

1. All resolutions at the EGM 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 results of the poll will be published on the websites of the Company at www.basecare.cn and Hong Kong Exchanges and Clearing Limited at www.hkexnews.hk after the EGM.

NOTICE OF EGM

2. Any shareholder entitled to attend and vote at the EGM convened by the above notice is entitled to appoint one or more proxies to attend and vote instead of him/her. A proxy need not be a shareholder of the Company.
3. In order to be valid, the instrument appointing a proxy together with the power of attorney or other authority, if any, under which it is signed, or a notarially certified copy of such power of attorney or authority, must be completed and returned to the Company's headquarters and registered office in the PRC (for holders of Domestic Shares or Unlisted Foreign Shares) or the H share registrar of the Company, Computershare Hong Kong Investor Services Limited, at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong (for holders of H shares), at least 24 hours before the EGM (i.e. before 9:00 a.m. on Friday, December 17, 2021) or any adjourned meeting thereof. Completion and return of the form of proxy will not preclude a shareholder from attending and voting at the EGM or any adjourned meeting thereof should he/she so wish.
4. For the purpose of determining the list of holders of H shares who are entitled to attend the EGM, the H share register of members of the Company will be closed from Thursday, November 18, 2021 to Saturday, December 18, 2021, both days inclusive, during which period no transfer of shares will be registered. In order to be eligible to attend and vote at the EGM, unregistered holders of the shares shall ensure all properly completed transfer documents accompanied by the relevant share certificates must be lodged with the Company's H share registrar, Computershare Hong Kong Investor Services Limited at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong not later than 4:30 p.m. on Wednesday, November 17, 2021 for registration.
5. In case of joint shareholders, the vote of the senior joint shareholder who tenders a vote, whether in person or by proxy, will be accepted to the exclusion of the votes of the other joint shareholder(s) and for this purpose, seniority will be determined by the order in which the names stand in the register of members of the Company in respect of the joint shareholding.
6. Shareholders who attend the meeting in person or by proxy shall bear their own travelling and accommodation expenses.
7. A shareholder or his/her proxy should produce proof of identity when attending the EGM.
8. References to date and time in this notice are to Hong Kong dates and time.

As of the date of this notice, the Board comprises Dr. LIANG Bo, Mr. KONG Lingyin and Mr. RUI Maoshe as executive Directors; Mr. XU Wenbo, Mr. ZHANG Jiecheng and Mr. WANG Weipeng as non-executive Directors; and Dr. KANG Xixiong, Dr. HUANG Taosheng and Mr. CHAU Kwok Keung as independent non-executive Directors.