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FOSUN PHARMA

复星医药

上海復星醫藥（集團）股份有限公司

Shanghai Fosun Pharmaceutical (Group) Co., Ltd.*

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

(Stock Code: 02196)

CONNECTED TRANSACTION

FORMATION OF PARTNERSHIP

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The Board is pleased to announce that, on 24 November 2021, Fujian Fund, the subsidiary of the Company, the Company, Fosun High Tech, the controlling shareholder of the Company, and Ningbo Xingyao entered into the Dalian Partnership Agreement, pursuant to which, the total capital contribution of Dalian Partnership shall be RMB10 million, of which RMB0.1 million shall be contributed by Fujian Fund (as the General Partner), RMB6.56 million shall be contributed by the Company (as a Limited Partner), RMB1.64 million shall be contributed by Fosun High Tech (as a Limited Partner) and RMB1.7 million shall be contributed by Ningbo Xingyao (as a Limited Partner).

HONG KONG LISTING RULES IMPLICATIONS

As the date of this announcement, Fosun High Tech is the controlling shareholder of the Company. Accordingly, Fosun High Tech and its associates constitute connected persons of the Company under Rule 14A.07 of the Hong Kong Listing Rules. Therefore, the transaction contemplated under the Dalian Partnership Agreement constitutes a connected transaction of the Company under Chapter 14A of the Hong Kong Listing Rules. Given that the party to the Dalian Partnership Agreement is the same connected person as the relevant parties to the Previous Transactions, the transaction contemplated under the Dalian Partnership Agreement and the Previous Transactions shall be aggregated pursuant to Rule 14A.81 of the Hong Kong Listing Rules. As the highest percentage ratio applicable to the sum of the transaction contemplated under the Dalian Partnership Agreement and the Previous Transactions is more than 0.1% but less than 5%, pursuant to Rule 14A.76(2) of the Hong Kong Listing Rules, the transaction contemplated under the Dalian Partnership Agreement is subject to reporting and announcement requirements but is exempt from the independent shareholders' approval requirement under Chapter 14A of the Hong Kong Listing Rules.

As at the date of this announcement, Mr. Wang Yao, the general partner of Ningbo Xingyao, is the director and/or chief executive of certain subsidiaries of the Company, therefore, Mr. Wang Yao and Ningbo Xingyao constitute connected persons at the subsidiary level of the Company pursuant to Rule 14A.07 of the Hong Kong Listing Rules. As all the percentage ratios applicable to the transactions contemplated under the Dalian Partnership Agreement are less than 1%, the entering into the Dalian Partnership Agreement with Ningbo Xingyao is fully exempt under Rule 14A.76(1) of the Hong Kong Listing Rules.

A. FORMATION OF PARTNERSHIP

The Board is pleased to announce that, on 24 November 2021, Fujian Fund, the subsidiary of the Company, the Company, Fosun High Tech, the controlling shareholder of the Company, and Ningbo Xingyao entered into the Dalian Partnership Agreement, pursuant to which, the total capital contribution of Dalian Partnership shall be RMB10 million, of which RMB0.1 million shall be contributed by Fujian Fund (as the General Partner), RMB6.56 million shall be contributed by the Company (as a Limited Partner), RMB1.64 million shall be contributed by Fosun High Tech (as a Limited Partner) and RMB1.7 million shall be contributed by Ningbo Xingyao (as a Limited Partner).

Date

24 November 2021

Parties

- (1) Fujian Fund ;
- (2) The Company ;
- (3) Fosun High Tech; and
- (4) Ningbo Xingyao

Capital contribution and payments

The total capital contribution to be made by all partners of Dalian Partnership shall be RMB10 million. The capital contribution to be made by each of the partners is set out as follows:

Partners	Type	Capital Contribution <i>(RMB millions)</i>	Percentage of interest in Dalian Partnership
Fujian Fund	General Partner	0.10	1.0%
The Company	Limited Partner	6.56	65.6%
Fosun High Tech	Limited Partner	1.64	16.4%
Ningbo Xingyao	Limited Partner	<u>1.70</u>	<u>17.0%</u>
Total		<u><u>10.00</u></u>	<u><u>100.0%</u></u>

Each of the partners of Dalian Partnership shall make its respective capital contribution in full by 5 November 2031.

The capital contribution to be made by the partners of Dalian Partnership was determined after arm's-length negotiation between the partners taking into account of the capital requirements of Dalian Partnership. The relevant capital contribution will be financed by the self-owned funds of Fujian Fund and the Company, respectively.

Scope of business

Investment with self-owned fund, corporate management and information consulting.

Business of the partnership

Fujian Fund, the General Partner, shall act as the executive partner of Dalian Partnership to represent Dalian Partnership and execute the business of Dalian Partnership.

Profit and loss of the partnership

The profit and loss of Dalian Partnership shall be distributed and assumed by the partners in proportion to their respective paid-up contribution.

Debt of the partnership

Dalian Partnership shall apply the property of partnership in payment of its debts and liabilities. The General Partner shall bear unlimited liability for Dalian Partnership in case of insufficient property, and the Limited Partners shall be liable for the debts and liabilities of Dalian Partnership in proportion, and limited, to their respective subscription amount of contribution.

Dispute resolutions

Any dispute between the partners shall be resolved through negotiation, failing which any party shall submit the dispute to Shanghai Arbitration Centre for arbitration. The arbitral award shall be final and binding on all parties.

Effectiveness

The Dalian Partnership Agreement shall become effective upon signing, and affixing with common seal, by all partners thereto.

B. REASONS AND BENEFITS OF THE FORMATION OF DALIAN PARTNERSHIP

In order to strengthen the composition of the healthcare industry, the Group intends to consolidate internal and external resources to establish an equity investment fund that is focusing on investment in early-stage and early-to-mid-stage innovative enterprises of medical devices, medical technology and the related industries. Dalian Partnership is an investment and management platform set up by the Group for the initiative of establishing such equity investment fund.

Dalian Partnership will be incorporated to the consolidated statement of the Group.

The Directors (including the independent non-executive Directors) consider that the terms of the Dalian Partnership Agreement are on normal commercial terms, and are fair and reasonable and in the interests of the Company and the Shareholders as a whole.

Mr. Chen Qiyu, Mr. Yao Fang, Mr. Xu Xiaoliang and Mr. Pan Donghui, being Directors, abstained from voting on the resolution of the Board in respect of the entering into of the Dalian Partnership Agreement, while the 5 remaining Directors (including 4 independent non-executive Directors) participated in the voting and approved unanimously.

C. INFORMATION OF PARTNERS

Fujian Fund

Fujian Fund is a company established in the PRC with limited liability and a non-wholly owned subsidiary of the Company. It is mainly engaged in the equity investment management in the innovation area of healthcare industry and Fujian Fund has completed the registration in the Asset Management Association of China.

The Group

The Group is a leading healthcare group in the PRC and primarily engaged in business segments including pharmaceutical manufacturing and R&D, medical devices and medical diagnosis, healthcare services as well as pharmaceutical distribution and retail.

Fosun High Tech

Fosun High Tech is a company incorporated in the PRC with limited liability and the controlling shareholder of the Company. Fosun High Tech is a wholly-owned subsidiary of Fosun International (a company listed on the main board of the Hong Kong Stock Exchange with the stock code 00656), it mainly focuses on health, happiness, wealth and intelligent manufacturing segments and provides highquality products and services for families around the world.

Ningbo Xingyao

Ningbo Xingyao is a limited partnership registered in the PRC, acted by Mr. Wang Yao as its executive partner and is mainly engaged in corporate management. Ningbo Xingyao is a co-investing fund platform established by investment department personnel. As at the date of this announcement, Mr. Wang Yao, as the general partner of Ningbo Xingyao, holds a 47.6% partnership interest in Ningbo Xingyao and Mr. Song Hao, Mr. Zhou Zhibo and Ms. Wu Lili, being the limited partners of Ningbo Xingyao, hold a 20.3%, 20.3% and 11.8% partnership interest in Ningbo Xingyao, respectively.

D. HONG KONG LISTING RULES IMPLICATIONS

As the date of this announcement, Fosun High Tech is the controlling shareholder of the Company. Accordingly, Fosun High Tech and its associates constitute connected persons of the Company under Rule 14A.07 of the Hong Kong Listing Rules. Therefore, the transaction contemplated under the Dalian Partnership Agreement constitutes a connected transaction of the Company under Chapter 14A of the Hong Kong Listing Rules. Given that the party to the Dalian Partnership Agreement is the same connected person as the relevant parties to the Previous Transactions, the transaction contemplated under the Dalian Partnership Agreement and the Previous Transactions shall be aggregated pursuant to Rule 14A.81 of the Hong Kong Listing Rules. As the highest percentage ratio applicable to the sum of the transaction contemplated under the Dalian Partnership Agreement and the Previous Transactions is more than 0.1% but less than 5%, pursuant to Rule 14A.76(2) of the Hong Kong Listing Rules, the transaction contemplated under the Dalian Partnership Agreement is subject to reporting and announcement requirements but is exempt from the independent shareholders' approval requirement under Chapter 14A of the Hong Kong Listing Rules.

As at the date of this announcement, Mr. Wang Yao, the general partner of Ningbo Xingyao, is the director and/or chief executive of certain subsidiaries of the Company, therefore, Mr. Wang Yao and Ningbo Xingyao constitute connected persons at the subsidiary level of the Company pursuant to Rule 14A.07 of the Hong Kong Listing Rules. As all the percentage ratios applicable to the

transactions contemplated under the Dalian Partnership Agreement are less than 1%, the entering into the Dalian Partnership Agreement with Ningbo Xingyao is fully exempt under Rule 14A.76(1) of the Hong Kong Listing Rules.

E. DEFINITIONS

In this announcement, the following expressions have the following meaning unless the context otherwise specifies:

“A Share(s)”	the domestic Share(s) of the Company with a nominal value of RMB1 each, which are listed on the Shanghai Stock Exchange and traded in RMB
“associate”	has the meaning ascribed to it under the Hong Kong Listing Rules
“Board”	the board of Directors
“Company”	Shanghai Fosun Pharmaceutical (Group) Co., Ltd.* (上海復星醫藥(集團)股份有限公司), a joint stock company established in the PRC with limited liability, the H Shares and A Shares of which are listed and traded on the Main Board of the Hong Kong Stock Exchange and the Shanghai Stock Exchange, respectively
“connected person(s)”	has the meaning ascribed to it under the Hong Kong Listing Rules
“Dalian Partnership Agreement”	the limited partnership agreement dated 24 November 2021 entered between Fujian Fund, the Company, Fosun High Tech and Ningbo Xingyao in relation to formation of the Dalian Partnership
“Dalian Partnership”	Dalian Fujian Venture Capital Investment Management Partnership (Limited Partnership)* (大連復健星未來創業投資管理合夥企業(有限合夥)) (temporary name, subject to the approval of relevant registration authorities)
“Director(s)”	director(s) of the Company
“Foshan Hospital”	Foshan Fosun Chancheng Hospital Limited* (佛山復星禪誠醫院有限公司), formerly known as Foshan Chancheng Central Hospital Company Limited* (佛山市禪城區中心醫院有限公司), a for-profit medical institution established as approved by the Population, Health and Drug Administration of Chancheng District, Foshan* (佛山市禪城區人口和衛生藥品監督管理局), a subsidiary of the Company

“Fosun Health”	Shanghai Fosun Health Technology (Group) Co., Ltd.* (上海復星健康科技(集團)有限公司) (formerly known as Shanghai Fosun Healthcare (Group) Co., Ltd.* (上海復星醫療(集團)有限公司)), a company established in the PRC with limited liability and a subsidiary of the Company
“Fosun Healthcare US”	Fosun Healthcare US LLC, a company incorporated in the United States, and a subsidiary of Fosun International
“Fosun High Tech”	Shanghai Fosun High Technology (Group) Company Limited* (上海復星高科技(集團)有限公司), a direct wholly-owned subsidiary of Fosun International and a controlling shareholder of the Company
“Fosun International”	Fosun International Limited (復星國際有限公司), an indirect subsidiary of Fosun International Holdings Ltd. and a controlling shareholder of the Company, whose shares are listed on the Hong Kong Stock Exchange (stock code: 00656)
“Fosun Pharma USA”	Fosun Pharma USA Inc., a company incorporated in the United States and a subsidiary of the Company
“Fujian Fund”	Shanghai Fujian Equity Investment Fund Management Company Limited* (上海復健股權投資基金管理有限公司), a company incorporated in the PRC, and a subsidiary of the Company
“General Partner”	the general partner under the Dalian Partnership Agreement, being Fujian Fund
“Group”	the Company and its subsidiaries
“Hainan JV Agreements”	the joint venture contract and shareholders’ agreement dated 4 February 2021 entered into between Qianda (Tianjin) International Trading Co., Ltd.* (謙達(天津)國際貿易有限公司) and Hainan Fosun Trade Co., Ltd.* (海南復星商社貿易有限公司) in relation to the establishment of Hainan Fosun Trade Medical Trading Co., Ltd.* (海南復星商社醫療貿易有限公司)
“H Share(s)”	the overseas listed share(s) of the Company with a nominal value of RMB1 each, which are listed on the Hong Kong Stock Exchange and traded in Hong Kong dollars
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China

“Hong Kong Listing Rules”	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited
“Hong Kong Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Joint Venture Agreement”	the joint venture agreement dated 11 October 2021 entered into between Fosun Health and Shanghai Forte Industrial Development Group Co., Ltd.* (上海復地產業發展集團有限公司) in relation to the setting up of Suzhou Xingchen Children’s Hospital Co., Ltd.* (蘇州星晨兒童醫院有限公司)
“Limited Partner”	the limited partners under the Dalian Partnership Agreement, being the Company, Fosun High Tech and Ningbo Xingyao
“Nanfeng JV Contract”	the joint venture contract dated 31 May 2021 entered into between Foshan Hospital and Shanghai Xingmai Technology Co., Ltd.* (上海杏脈科技有限公司) in relation to the formation of Fosun Nanfeng (Shenzhen) Medical Technology Co., Ltd.* (復星南風(深圳)醫療技術有限公司)
“Ningbo Xingyao”	Ningbo Xingyao Furui Corporate Management Partnership (Limited Partnership)* (寧波星曜復瑞企業管理合夥企業(有限合夥)), a limited partnership established in the PRC
“NOVA”	NOVA JV (US) LLC, a company incorporated in the United States with limited liability, a subsidiary of the Company
“PRC”	the People’s Republic of China, for the purpose of this announcement, excluding Hong Kong, the Macau Special Administrative Region and Taiwan region
“Previous Connected Transactions”	the transactions contemplated under the Xingjian Ruiying Partnership Agreement, Hainan JV Agreements, the Transfer Contract, Nanfeng JV Contract, the Purchase Agreement, the Joint Venture Agreement, Shenzhen Fosun Health ETAs and Suzhou Partnership Agreement
“Purchase Agreement”	the membership interest purchase agreement dated 9 June 2021 entered into between the Fosun Pharma USA and Fosun Healthcare US in relation to the acquisition of a 49% interest in NOVA held by the Fosun Healthcare US
“RMB”	Renminbi, the lawful currency of the PRC

“Shareholder(s)”	holder(s) of the Share(s)
“Share(s)”	A Share(s) and H Share(s)
“Shenzhen Fosun Health ETAs”	the equity transfer agreements dated 26 October 2021 entered into between Fosun Health and each of Fosun High Tech, Shanghai Youle Information Technology Company Limited* (上海有叻信息科技有限公司) and Foshan Hospital, respectively, in relation to, among others, the transfer of equity interest in Shenzhen Fosun Health Information Technology Co., Ltd.* (深圳復星健康信息科技有限公司)
“subsidiary”	has the meaning ascribed to it under the Hong Kong Listing Rules
“Suzhou Partnership Agreement”	the limited partnership agreement dated 26 October 2021 entered between Fujian Fund, the Company, Fosun High Tech and Suzhou Xingsheng Health Industry Management Partnership (Limited Partnership)* (蘇州星盛健康產業管理合夥企業(有限合夥)) in relation to formation of the Suzhou Xingsheng Fuying Corporate Management Partnership (Limited Partnership)* (蘇州星盛復盈企業管理合夥企業(有限合夥)) (temporary name, subject to the approval of relevant registration authorities)
“Transfer Contract”	the equity transfer and loan assignment contract dated 26 April 2021 entered into between Foshan Hospital, Fosun Healthcare, Foshan Chanxi Real Estate Development Co., Ltd.* (佛山禪曦房地產開發有限公司) and Shanghai Yuyuan Tourist Mart (Group) Co., Ltd. in relation to, among others, the transfer of equity interest in, and the debts of, Foshan Chanxi Real Estate Development Co., Ltd.* (佛山禪曦房地產開發有限公司)
“United States”	the United States of America
“Xingjian Ruiying Partnership Agreement”	the limited partnership agreement dated 28 December 2020 entered into between Nanjing Fuxin Equity Investment Management Partnership (Limited Partnership)* (南京復鑫股權投資管理合夥企業(有限合夥)), Ningbo Fuying Investment Co., Ltd.* (寧波復瀛投資有限公司), Fosun High Tech and other investors in relation to, among others, the establishment of Nanjing Xingjian Ruiying Equity Investment Partnership (Limited Partnership)* (南京星健睿贏股權投資合夥企業(有限合夥))

“%”

per cent

By order of the Board
Shanghai Fosun Pharmaceutical (Group) Co., Ltd.*
Wu Yifang
Chairman

Shanghai, People's Republic of China
24 November 2021

As at the date of this announcement, the executive director of the Company is Mr. Wu Yifang; the non-executive directors of the Company are Mr. Chen Qiyu, Mr. Yao Fang, Mr. Xu Xiaoliang and Mr. Pan Donghui; and the independent non-executive directors of the Company are Ms. Li Ling, Mr. Tang Guliang, Mr. Wang Quandi and Mr. Yu Tze Shan Hailson.

* *for identification purposes only*